AMENDED IN ASSEMBLY AUGUST 30, 2016 AMENDED IN ASSEMBLY AUGUST 19, 2016 AMENDED IN ASSEMBLY AUGUST 8, 2016 AMENDED IN ASSEMBLY MAY 25, 2016

SENATE BILL

No. 859

Introduced by Committee on Budget and Fiscal Review

January 7, 2016

An act to amend Sections 1602, 1609, 1610, 1613, 1615, 2942, 12157, and 12159.5 of, and to add Sections 2081.2 and 12008.1 to, the Fish and Game Code, to repeal and add Section 52334 of the Food and Agricultural Code, to amend Sections 8670.48.3 and 12812.2 of the Government Code, to amend Sections 25150.7, 25150.84, 25189.3, 25205.7, 25205.18, 25205.19, 25247, 100829, 100860.1, 100862, 105206, 116590, and 116681 of, and to add Sections 25253.5 and 43011.3 to, the Health and Safety Code, to amend Sections 10187.5 and 10190 of the Public Contract Code, to amend Sections 4629.6 and 4629.8 of, to amend, repeal, and add Section 21191 of, to add Chapter 6.5 (commencing with Section 25550) to Division 15 of, and to repeal the heading of Chapter 6.5 (commencing with Section 25550) of Division 15 of, the Public Resources Code, to amend Sections 43053 and 43152.10 of the Revenue and Taxation Code, to amend, repeal, and add Sections 5106 and 5108 of the Vehicle Code, to amend Sections 1430, 1440, and 13205 of, and to add and repeal Section 79717 of, the Water Code, to amend Section 258 of the Welfare and Institutions Code, and to amend Section 11 of Chapter 2 of the Statutes of 2009 of the Seventh Extraordinary Session, relating to public resources, and making an appropriation therefor, to take effect immediately, bill related to the budget. An act to amend Section 568 of, and to add Sections 412 and 569, to the Food and Agricultural Code, to add Sections 12802.10 and $SB 859 \qquad \qquad -2-$

16428.86 to the Government Code, to amend Section 39712 of, and to add and repeal Section 44274.3 of, the Health and Safety Code, to amend Sections 6009.1, 42997, and 42999 of, and to add Sections 717 and 4799.05 to, the Public Resources Code, and to add Section 399.20.3 to the Public Utilities Code, relating to public resources, and making an appropriation therefor, to take effect immediately, bill related to the budget.

LEGISLATIVE COUNSEL'S DIGEST

SB 859, as amended, Committee on Budget and Fiscal Review. Public resources: greenhouse emissions and biomass.

(1) The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation. Existing law requires all moneys, except for fines and penalties, collected by the state board as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation. Existing law requires the Department of Finance, in consultation with the state board and any other relevant state agency, to develop, as specified, a 3-year investment plan for the moneys deposited in the Greenhouse Gas Reduction Fund. Existing law requires moneys from the fund to be allocated for the purpose of reducing greenhouse gas emissions in this state and satisfying other purposes, where applicable and to the extent feasible, and authorizes specified investments if the investment furthers the regulatory purposes of the act and is consistent with law.

Existing law, the Cannella Environmental Farming Act of 1995, requires the Department of Food and Agriculture to establish and oversee an environmental farming program to provide incentives to farmers whose practices promote the well-being of ecosystems, air quality, and wildlife and their habitat. The act requires the Secretary of Food and Agriculture to convene a 5-member Scientific Advisory Panel on Environmental Farming, as prescribed, for the purpose of providing advice and assistance to federal, state, and local government

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agencies on issues relating to air, water, and wildlife habitat, as specified. Existing law authorizes the panel to establish ad hoc committees to assist the panel in performing its functions.

This bill would increase the number of members on the panel from 5 to 9 members and would require that the secretary appoint 5 instead of 3 of these members, the Secretary for Environmental Protection appoint 2 instead of one of these members, and the Secretary of the Natural Resources Agency appoint 2 instead of one of these members, as prescribed. The bill would additionally allow the secretary to appoint, in consultation with the panel, ex officio nonvoting members to the panel. The bill would add representatives of nongovernmental entities to persons who may be on the ad hoc committees.

This bill would require the State Air Resources Board to consult with the Secretary of Food and Agriculture and the panel in developing the quantification methods to demonstrate and quantify on-farm greenhouse gas emissions reductions.

This bill would require the Department of Food and Agriculture, in consultation with the panel, to establish and oversee a Healthy Soils Program to seek to optimize climate benefits while supporting the economic viability of California agriculture by providing incentives, including loans, grants, research, and technical assistance, or educational materials and outreach, to farmers whose management practices contribute to healthy soils and result in net long-term on-farm greenhouse gas benefits. The bill would authorize the program to include funding of on-farm demonstration projects and, if the funding of those projects is included, would require the department to establish a technical advisory committee to review the project applications for scientific validity and the project's potential to achieve greenhouse gas benefits. The bill would require the department to implement the program and quantify greenhouse gas emissions reductions in accordance with the quantification methods developed by the State Air Resources Board and specified funding guidelines.

This bill would require the Department of Food and Agriculture, prior to awarding grant funds from moneys from the Greenhouse Gas Reduction Fund, to review the applicant analysis identifying potential adverse impacts of a proposed project. The bill would prohibit a project from receiving funding from the department unless the applicant has made certain demonstrations to the department. The bill would require the department to prioritize projects based on the criteria pollutant emission benefits achieved by the project.

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Existing law requires the California Environmental Protection Agency to identify disadvantaged communities and requires the Department of Finance, in consultation with the State Air Resources Board and any other relevant state agency, to develop, as specified, a 3-year investment plan for the moneys deposited in the Greenhouse Gas Reduction Fund.

This bill would additionally require moneys in the fund, where applicable and to the extent feasible, to be allocated to provide opportunities for Native American tribes in the state to participate in and benefit from statewide efforts to reduce greenhouse gas emissions. The bill also would additionally authorize moneys in the fund to be allocated to fund investments in programs implemented by Native American tribes in the state if the investments further the regulatory purposes of the act and are consistent with law.

This bill would require the Secretary of the Natural Resources Agency to support the development of sustainable communities by managing and awarding financial assistance for the preparation and implementation of specified green infrastructure projects that reduce greenhouse gas emissions and provide multiple benefits, as defined, to specified entities. The bill would authorize moneys from the Greenhouse Gas Reduction Fund, upon appropriation, to be available for allocation by the Secretary of the Natural Resources Agency for the purposes of awarding the financial assistance. The bill would require the Secretary of the Natural Resources Agency to allocate at least 75% of the moneys to projects in disadvantaged communities, as specified. The bill would exempt the development and adoption of guidelines and selection criteria from the Administrative Procedure Act.

This bill would require the State Air Resources Board, no later than January 1, 2017, in consultation with the Natural Resources Agency and the Department of Forestry and Fire Protection, to complete a standardized greenhouse gas emissions inventory, as specified, and, by January 1, 2018, to complete a standardized accounting framework that supports statewide greenhouse gas emissions reduction goals and investments of moneys from the Greenhouse Gas Reduction Fund, as specified.

This bill would find and declare that a diversity of dairy methane management practices, including anaerobic digesters and nondigester dairy methane management strategies, can effectively reduce greenhouse gas emissions.

(2) Existing law establishes the Air Quality Improvement Program that is administered by the State Air Resources Board for the purposes

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of funding projects related to, among other things, the reduction of criteria air pollutants and improvement of air quality. Pursuant to its existing statutory authority, the state board has established the Clean Vehicle Rebate Project, as a part of the Air Quality Improvement Program, to promote the production and use of zero-emission vehicles by providing rebates for the purchase of new zero-emission vehicles.

The Charge Ahead California Initiative requires the State Air Resources Board to adopt, no later than June 30, 2015, revisions to the criteria and other requirements for the Clean Vehicle Rebate Project to, among other things, limit eligibility based on income.

This bill would, between November 1, 2016, and July 1, 2017, require the State Air Resources Board, for the purposes of the Clean Vehicle Rebate Project, to, among other things, offer rebates only to applicants who purchase an eligible vehicle and have a specified maximum gross annual income; increase rebate payments by \$500 for low-income applicants, as defined; and prioritize rebate payments for low-income applicants.

(3) Existing law authorizes the Director of Forestry and Fire Protection to enter into agreements and make loans for various forest resource improvement projects to improve the timber productivity of forest lands in the state and to improve all forest resources and the total forest resource system.

This bill would additionally authorize the Director of Forestry and Fire Protection to provide grants to, or enter into contracts or other cooperative agreements with, private or nongovernmental entities, Native American tribes, or local, state, and federal public agencies for the implementation and administration of projects and programs to improve forest health and reduce greenhouse gas emissions. The bill would require any such project or program funded with moneys from the Greenhouse Gas Reduction Fund to comply with all statutory and program requirements applicable to the use of moneys from that fund.

This bill would require the Department of Forestry and Fire Protection to allocate funding to specified landscape-scale projects.

(4) Existing law establishes the CalRecycle Greenhouse Gas Reduction Revolving Loan Program, administered by the Department of Resources Recycling and Recovery (CalRecycle), to provide loans to reduce the emissions of greenhouse gases by promoting in-state development of infrastructure to process organic and other recyclable materials into new value-added products. Existing law requires CalRecycle to administer a grant program to provide financial

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assistance, in the form of grants, incentive payments, contracts, or other funding mechanisms, to reduce the emissions of greenhouse gases by promoting in-state development of infrastructure to process organics and other recyclable materials into new value-added products.

This bill would revise the 2 programs described above to, among other things, expand the projects eligible for financial assistance under those programs to other projects to reduce organic waste.

(5) Existing law grants to various local entities the right, title, and interest of the state in and to certain tidelands and submerged lands in trust for public trust purposes. Existing law makes legislative declarations and findings regarding those granted public trust lands, the role of the state as both trustor and representative of the people of the state, who are the trust beneficiaries, and the fiduciary duties of the trustee, including the duty to take reasonable steps to enforce claims that are part of the trust property and to defend actions that may result in a loss to the trust.

This bill would additionally find and declare that a trustee of public trust lands may bring any action related to its granted public trust lands, including an action to abate a public nuisance, as a representative of the trust beneficiaries.

(6) Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations. Existing law requires every electrical corporation to file with the commission a standard tariff for electricity generated by an electric generation facility, as defined, that qualifies for the tariff, is owned and operated by a retail customer of the electrical corporation, and is located within the service territory of, and developed to sell electricity to, the electrical corporation. The commission refers to this requirement as the renewable feed-in tariff. Existing law requires that, in order to qualify for the tariff, the electric generation facility: (1) have an effective capacity of not more than 3 megawatts, subject to the authority of the commission to reduce this megawatt limitation, (2) be interconnected and operate in parallel with the electric transmission and distribution grid, (3) be strategically located and interconnected to the electrical transmission and distribution system in a manner that optimizes the deliverability of electricity generated at the facility to load centers, and (4) meet the definition of an eligible renewable energy resource under the California Renewables Portfolio Standard Program. Existing law requires an electrical corporation to make the tariff available to the owner or operator of an electric generation facility _7_ SB 859

within the service territory of the electrical corporation, upon request, on a first-come-first-served basis, until the electrical corporation meets its proportionate share of a statewide cap of 750 megawatts cumulative rated generation capacity served under the renewable feed-in tariff and a renewable feed-in tariff that is applicable to a local publicly owned electric utility. In addition to the 750 megawatt limitation, the renewable feed-in tariff law requires the commission to direct the electrical corporations to collectively procure at least 250 megawatts of cumulative rated generating capacity from developers of bioenergy projects that commence operation on or after June 1, 2013. The commission is required to undertake specific steps to implement the bioenergy feed-in tariff requirement.

This bill would additionally require the commission to direct retail sellers, as defined, to collectively procure, through financial commitments of 5 years, their proportionate share of 125 megawatts of cumulative rated generating capacity from instate bioenergy projects commencing operation prior to June 1, 2013, that each produces its generation using specified minimum percentages of certain types of forest feedstock. The bill would require local publicly owned electric utilities serving more than 100,000 customers to procure their proportionate shares of 125 megawatts of cumulative rated capacity from those kinds of bioenergy projects subject to terms of at least 5 years. Because this bill would impose additional duties on a local publicly owned electric utility, this bill would impose a state-mandated local program.

Under existing law, a violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the commission is a crime.

Because the provisions of this bill would be a part of the act and because a violation of an order or decision of the commission implementing its requirements would be a crime, this bill would impose a state-mandated local program.

(7) Existing law establishes the Department of Forestry and Fire Protection in the Natural Resources Agency and requires the department to coordinate programs of fire protection, fire prevention, pest control, and forest and range maintenance and enhancement.

This bill would require the Secretary of the Natural Resources Agency to establish a working group on expanding wood product markets that can utilize woody biomass, especially biomass removed from high hazard zones, as determined by the department.

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- (8) This bill would appropriate \$1,400,000 from certain moneys deposited in the Waste Discharge Permit Fund to the State Water Resources Control Board to provide grants or contracts for the development of planning, environmental, and design documents in furtherance of projects for eliminating public health and safety risks from wastewater, and agricultural and other drainage of urbanized areas for tributaries to the Salton Sea.
- (9) The bill would incorporate changes to Section 42999 of the Public Resources Code proposed by this bill and SB 970, which would become operative only if both bills are enacted and become effective on or before January 1, 2017, and this bill is chaptered last.
- (10) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for specified reasons.

- (11) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.
- (1) Existing law prohibits an entity from substantially diverting or obstructing the natural flow of, or substantially changing or using any material from the bed, channel, or bank of, any river, stream, or lake, or from depositing certain material where it may pass into any river, stream, or lake designated by the Department of Fish and Wildlife, without first notifying the department of that activity, and entering into a lake or streambed alteration agreement if required by the department to protect fish and wildlife resources. Under existing law, it is unlawful for any person to violate those notification and agreement provisions, and a person who violates them is also subject to a civil penalty of not more than \$25,000 for each violation. For purposes of these provisions, existing law defines entity to mean any person, state or local governmental agency, or public utility subject to the notification and agreement provisions.

This bill would make it unlawful for any entity to violate those provisions, thereby imposing a state-mandated local program by changing the definition of a crime. The bill would subject to that civil penalty any entity that violates those provisions.

Existing law authorizes the director of the department to establish a graduated schedule of fees to be charged to any entity subject to the

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notification and agreement provisions, and authorizes the adjustment of fees. Existing law imposes a \$5,000 fee limit for any agreement.

This bill would instead authorize the department to establish that schedule of fees, and would require that the department adjust fees annually. The bill would modify that fee limit to prohibit a fee from exceeding \$5,000 for any single project.

(2) The California Endangered Species Act requires the Fish and Game Commission to establish a list of endangered species and a list of threatened species, and requires the Department of Fish and Wildlife to recommend, and the commission to adopt, criteria for determining if a species is endangered or threatened. The act prohibits the taking of an endangered, threatened, or candidate species, except as specified. Under the act, the department may authorize the take of listed species if the take is incidental to an otherwise lawful activity and the impacts are minimized and fully mitigated.

This bill would require the department to collect a permit application fee for processing applications for specified permits issued by the department to take a species listed as candidate, threatened, or endangered, except as provided. The bill would require the department to assess the permit application fee according to a graduated fee schedule based on the cost of the project and whether the project uses a department-approved conservation or mitigation bank to fulfill mitigation obligations. The bill would create the Endangered Species Permitting Account and would require the permit application fees collected by the department to be deposited in the account and used upon appropriation to pay the department's cost of processing permit applications, permit development, and compliance monitoring. The bill would make funds deposited in the account available to the department, upon appropriation by the Legislature, for those purposes and for administering and implementing the California Endangered Species Act.

Under existing law, a violation of the act is a misdemeanor subject to the punishment of a fine of not more than \$5,000 or imprisonment in the county jail for not more than one year, or both the fine and imprisonment.

This bill would increase the punishment of a violation of the prohibition against taking an endangered, threatened, or candidate species to a fine of not less than \$25,000 or more than \$50,000, imprisonment in the county jail for not more than one year, or by both that fine and imprisonment. The bill would require ½ of any fine or

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forfeiture imposed for a violation of the take prohibition or any other law of the act to be deposited in the county treasury of the county in which the violation occurred and would require the other ½ to be deposited in the Endangered Species Permitting Account.

(3) The California Seed Law regulates seed sold in California, and prohibits a city, county, or district from adopting or enforcing an ordinance that regulates plants, crops, or seeds without the consent of the Secretary of Food and Agriculture. The California Seed Law also requires the Department of Food and Agriculture to develop and maintain a list of invasive pests, as defined and which includes certain plants and seeds, that have a reasonable likelihood of entering California for which action by the state might be appropriate, as specified.

This bill would delete the provision prohibiting the adoption or enforcement of an ordinance that regulates plants, crops, or seeds without the secretary's consent. The bill would also state that the declaration of a plant, seed, nursery stock, or crop as invasive is a power reserved for the secretary.

(4) Existing law imposes a uniform oil spill response fee on specified persons, except specified independent crude oil producers, owning petroleum products and on pipeline operators transporting petroleum products into the state by means of a pipeline operating across, under, or through the marine waters of the state, during any period that the Oil Spill Response Trust Fund contains less than a designated amount. Existing law, until June 30, 2017, provides that if a loan or other transfer of money from the fund to the General Fund pursuant to the Budget Act reduces the balance of the fund to less than or equal to 95% of the designated amount, the administrator for oil spill response is not required to resume collection of the oil spill response fee if the annual Budget Act requires the transfer or loan to be repaid to the fund with interest calculated at a rate earned by the Pooled Money Investment Account and on or before June 30, 2017.

This bill would extend that date to June 30, 2019. The bill would additionally provide that if a loan or other transfer of money from the fund to a special fund pursuant to the Budget Act reduces the balance of the fund to less than or equal to 95% of the designated amount, the administrator is not required to resume collection of the oil spill response fee. The bill would make these provisions inoperative on July 1, 2019.

(5) Existing law establishes the California Environmental Protection Agency under the supervision of the Secretary for Environmental Protection, and requires the agency, among other things, to identify —11— SB 859

disadvantaged communities for certain investment opportunities based on geographic, socioeconomic, public health, and environmental hazard eriteria, as specified. Existing law requires the secretary's deputy secretary for law enforcement and counsel to, in consultation with the Attorney General, establish a cross-media enforcement unit to assist boards, departments, offices, or other agencies that implement a law or regulation within the jurisdiction of the agency, as specified.

This bill would require each board, department, or office within the California Environmental Protection Agency to participate and have representatives in the cross-media enforcement unit. The bill would require the unit to undertake activities consistent with specified environmental justice policies and focus its activities in disadvantaged communities, as specified.

(6) Existing law requires the Department of Toxic Substances Control to adopt, and revise as necessary, regulations establishing management standards for treated wood waste. Existing law makes these, and other requirements regarding treated wood waste, inoperative on December 31, 2020. Existing law requires the department, on or before January 1, 2018, to prepare, post on its Internet Web site, and provide to the appropriate policy committees of the Legislature, a comprehensive report with specified content on the compliance with, and implementation of, these laws relating to treated wood waste.

This bill would extend to July 1, 2018, the time by which the department is to prepare, post on its Internet Web site, and provide the appropriate policy committees of the Legislature the comprehensive report.

Existing law requires the department to suspend the permit of a hazardous waste facility for nonpayment of a specified facility fee or activity fee if the operator of the facility is subject to the fee and if the State Board of Equalization has certified that certain circumstances exist.

This bill would allow the department, in addition to the State Board of Equalization, to certify the existence of those circumstances, and would include within the circumstances that the department or the State Board of Equalization has notified the facility's operator of the delinquency and that the operator has exhausted certain administrative rights of appeal or dispute resolution procedures, as specified.

Existing law provides a person who applies for, or requests, specified hazardous waste permits, variances, or waste classification determinations with the option of paying a flat fee or entering into a

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reimbursement agreement to reimburse the department for costs incurred in processing the application or response to the request. Existing law authorizes a reimbursement agreement to include costs incurred by the department in reviewing and overseeing corrective action but prohibits the department from assessing a fee or seeking reimbursement for reviewing and overseeing preliminary site assessment in conjunction with a hazardous waste facilities permit application.

This bill would eliminate the flat fee option. The bill would additionally require the reimbursement agreement to provide for the reimbursement of the costs incurred by the department in reviewing and overseeing corrective action and would require an applicant and the owner and the operator of the facility to pay these costs and to pay all costs incurred by the department to comply with the California Environmental Quality Act. The bill would repeal the prohibition on the department assessing a fee or seeking reimbursement for reviewing and overseeing a preliminary site assessment in conjunction with a hazardous waste facilities permit application. The bill would require at least 25% of the agreed-upon reimbursement to be made in advance, based on the department's total estimated costs of processing the application or response to the request. The bill would apply these revised fee provisions to applications and requests submitted to the department on or after April 1, 2016.

Under existing law, if a facility's permit or interim status document sets forth the facility's allowable capacity for treatment or storage, the annual facility fee is based upon that capacity, and the department may require the facility to submit an application to modify the permit to provide for an allowable capacity. Under existing law, if a facility's permit or interim status document does not set forth its type, that type is presumed for purposes of setting fees, and the department is authorized to require the facility to submit an application to modify the permit or interim status document to provide for a facility type. Existing law exempts these applications from the requirement to either pay a flat fee or enter into a reimbursement agreement.

This bill would subject these applications for modification to the above-described reimbursement requirement.

Existing law requires specified fees, including the flat fee and the fee paid under the reimbursement agreement, as applicable, to be administered and collected by the State Board of Equalization in accordance with the Hazardous Substance Tax Law.

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This bill would provide that the fees, as revised above, shall instead be administered and collected by the department.

This bill would make conforming changes and delete obsolete provisions pertaining to the state's hazardous waste programs.

Existing law requires the department to adopt regulations to establish a process for evaluating chemicals of concern in consumer products, and their potential alternatives, to determine how best to limit exposure or to reduce the level of hazard posed by a chemical of concern. Existing law requires the regulations adopted to specify the range of regulatory responses that the department may take following the completion of the alternatives analysis. Under its regulatory authority, the department has adopted the 2015–17 Priority Product Work Plan, which describes eategories from which the department will select priority products for which safer alternatives are to be evaluated.

This bill would require the department to revise the 2015–17 Priority Product Work Plan to include lead acid batteries for consideration and evaluation as a potential priority products.

(7) Existing law requires the State Air Resources Board to adopt and implement motor vehicle emission standards and to establish criteria for the evaluation of the effectiveness of motor vehicle pollution control devices. Existing law prohibits the disconnection, modification, or alteration of required motor vehicle pollution control devices, except with respect to an alteration, modification, or modifying device, apparatus, or mechanism that is covered by a resolution of the state board that makes specified findings. Existing law also allows aftermarket and performance parts to be sold and installed on motorcycles, concurrent with a motorcycle's transfer to an ultimate purchaser, pursuant to a valid executive order of the state board.

This bill would authorize the state board to enter into agreements with private entities and receive, on behalf of the state, contributions from private sources in the form of equipment or money in order to expedite the processing of the above-referenced resolutions and executive orders, and associated applications.

(8) Existing law, the Environmental Laboratory Accreditation Act, requires certain laboratories that conduct analyses of environmental samples for regulatory purposes to obtain a certificate of accreditation from the State Water Resources Control Board. The act requires an accredited laboratory to report, in a timely fashion and in accordance with the request for analysis, the full and complete results of all detected contaminants and pollutants to the person or entity that submitted the

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material for testing. The act authorizes the board to adopt regulations to establish reporting requirements, establish the accreditation procedures, recognize the accreditation of laboratories located outside California, and collect laboratory accreditation fees. The act requires that fees collected for laboratory accreditation be adjusted annually, as specified. The act requires fees and civil penalties collected under the act to be deposited in the Environmental Laboratory Improvement Fund and that moneys in the fund be available for expenditure by the board, upon appropriation by the Legislature, for the purposes of the act.

This bill would require the board to adopt, by emergency regulations, a schedule of fees to recover costs incurred for the accreditation of environmental laboratories in an amount sufficient to recover all reasonable regulatory costs incurred for the purposes of the act, as prescribed. This bill would require the board to review and revise the fees, as necessary, each fiscal year.

Existing law, until January 1, 2017, requires, among other things, any laboratory that performs cholinesterase testing on human blood for an employer to enable the employer to satisfy his or her responsibilities for medical supervision of his or her employees who regularly handle pesticides pursuant to specified regulations or to respond to alleged exposure to cholinesterase inhibitors or known exposure to the inhibitors that resulted in illness to electronically report specified information in its possession on every person tested to the Department of Pesticide Regulation, which would be required to share the information in an electronic format with the Office of Environmental Health Hazard Assessment and the State Department of Public Health on an ongoing basis, as specified.

This bill would extend the repeal date of these provisions to January 1, 2019.

(9) Existing law, the California Safe Drinking Water Act, provides for the operation of public water systems and imposes on the State Water Resources Control Board various duties and responsibilities for the regulation and control of drinking water in the state. The act, on and after July 1, 2016, requires the board to adopt, by regulation, a fee schedule, to be paid annually by each public water system for the purpose of reimbursing the board for specified activities. The act requires funds received by the board for the purposes of the act to be deposited into the Safe Drinking Water Account and provides that the moneys in the account are available, upon appropriation by the Legislature, for the administration of the act. The act prohibits the total

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amount of funds received for state operations program costs to administer the act for fiscal year 2016–17 from exceeding \$30,450,000. This bill would raise that limit to \$38,907,000.

Existing law requires the board to conduct research, studies, and demonstration projects relating to the provision of a dependable, safe supply of drinking water, to adopt regulations to implement the act, and to enforce provisions of the federal Safe Drinking Water Act. Existing law authorizes the board to order physical or operational consolidation with a receiving water system where a public water system, or a state small water system within a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water. Existing law defines a disadvantaged community for the purpose of these provisions as a community with an annual median household income that is less than 80% of the statewide annual median income and that is in an unincorporated area or is served by a mutual water company.

This bill would revise the definition of disadvantaged community to include a community with an annual median household income that is less than 80% of the statewide annual median income that is served by a small public water system, as defined.

(10) Existing law authorizes the Department of Water Resources, subject to available funding and in coordination with the Department of Fish and Wildlife, to undertake specified restoration efforts at the Salton Sea.

This bill would authorize the Department of Water Resources to use design-build procurement for projects at the Salton Sea.

Existing law requires either the Director of General Services or the Secretary of the Department of Corrections and Rehabilitation to notify the State Public Works Board regarding the method to be used for selecting a design-build entity, prior to advertising design-build project.

This bill would, for purposes of projects at the Salton Sea, instead require the Director of Water Resources to notify the California Water Commission regarding the method to be used for selecting a design-build entry, prior to advertising design-build project.

(11) Existing law creates the Timber Regulation and Forest Restoration Fund in the State Treasury and requires that specified revenues received from a lumber or engineered wood products assessment, less amounts deducted for refunds and reimbursements, be deposited in the fund and, upon appropriation by the Legislature, used for specified purposes relating to forest management and restoration, in accordance with specified priorities.

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This bill would authorize the Natural Resources Agency to use moneys in the fund, upon appropriation by the Legislature and only after certain of those specified priorities are funded, to provide a reasonable per diem for attendance at a meeting of the advisory body for the state's forest practice program by a member of the body who is not an employee of a government agency.

(12) Existing law establishes the State Energy Resources Conservation and Development Commission (Energy Commission) in the Natural Resources Agency, and specifies the powers and duties of the Energy Commission with respect to energy resources in the state. Existing law requires the Public Utilities Commission to adopt rules and procedures governing the operation, maintenance, repair, and replacement of gas pipeline facilities that it regulates and that are intrastate transmission and distribution lines to, among other things, reduce emissions of natural gas from those facilities to the maximum extent feasible to advance the state's goals in reducing emissions of greenhouse gases.

This bill would require the Energy Commission, by September 15, 2017, and in consultation with certain entities, to report to the respective budget committees of each house of the Legislature on the resources needed to develop a plan for tracking natural gas, and a recommendation for developing the plan, considering cost-effectiveness and efficacy. The bill would require the State Air Resources Board, in consultation with the Energy Commission to develop a model of fugitive and vented emissions of methane from natural gas infrastructure, as specified.

(13) Existing law authorizes the issuance of environmental license plates, also referred to as personalized license plates, upon application of the registered owner or lessee of a vehicle. Existing law imposes a fee, in addition to the regular registration fee, of \$48 for the issuance of, and \$38 for the renewal, retention, transfer, or duplication of, the environmental license plates. Existing law requires that all revenue derived from these fees be deposited in the California Environmental License Plate Fund to be used, upon appropriation by the Legislature, for specified trust purposes.

This bill would, commencing January 1, 2017, increase to \$43 the fee for the renewal, retention, transfer, or duplication of environmental license plates. The bill would, commencing July 1, 2017, increase to \$53 the fee for the issuance of environmental license plates.

(14) Under existing law, the State Water Resources Control Board administers a water rights program pursuant to which the board grants

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permits and licenses to appropriate water. Existing law allows a person to apply for, and the board to issue, a temporary permit for diversion and use of water, subject to certain restrictions. Existing law allows a permittee or licensee who has an urgent need to change a point of diversion, place of use, or purpose of use to petition for, and the board to issue, a temporary change order, subject to certain restrictions. Existing law provides that the authorization for a temporary permit or a temporary change order automatically expires 180 days after the date the authorization takes effect and that the 180-day period does not include any time required for monitoring, reporting, or mitigation before or after the authorization to divert or use water under the temporary permit or temporary change order.

This bill would provide that if the temporary permit or temporary change order authorizes diversion to storage, the 180-day period is a limitation on the authorization to divert and not a limitation on the authorization for beneficial use of water diverted to storage.

Under existing law, the board and the California regional water quality control boards prescribe waste discharge requirements in accordance with the federal national pollutant discharge elimination system permit program established by the federal Clean Water Act, and the Porter-Cologne Water Quality Control Act (the act). The act establishes 9 regions, each governed by a California regional water quality control board comprised of 7 members appointed by the Governor, with prescribed experience or associations. Existing law requires that each member of a regional board receive \$100 for each day that member is engaged in the performance of official duties, except that a member is not entitled to compensation if the member otherwise receives compensation from other sources for performing those duties. Existing law prohibits the total compensation received by members of each regional board from exceeding, in any one fiscal year, the sum of \$13,500.

This bill would require that each member of a regional board receive \$250 for each day during which that member is engaged in the performance of official duties, without regard to compensation from other sources, and would specify that the performance of official duties includes reviewing agenda materials for no more than one day in preparation for each regional board meeting. This bill would prohibit the total compensation received by members of all of the regional boards from exceeding the sum of \$378,250 in any one fiscal year.

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(15) Existing law, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, approved by the voters as Proposition 1 at the November 4, 2014, statewide general election, authorizes the issuance of general obligation bonds in the amount of \$7,545,000,000 to finance a water quality, supply, and infrastructure improvement program. The act requires each state agency that receives an appropriation from the funding made available by the act to administer a competitive grant or loan program under the act's provisions to develop and adopt project solicitation and evaluation guidelines before disbursing the grants or loans. The act requires the Secretary of the Natural Resources Agency to publish and post on the Natural Resources Agency's Internet Web site specified information in order to facilitate oversight of funding and projects. The act requires each state agency that receives an appropriation of funding made available by the act to be responsible for establishing metrics of success and reporting the status of projects and all uses of the funding on the state's bond accountability Internet Web site. Existing law requires each state agency that receives an appropriation of funding made available by the act to evaluate the outcomes of projects, report this evaluation on the state's bond accountability Internet Web site, and to hold a grantee of funds accountable for completing projects funded by the act on time and within scope.

This bill, on or before January 10, 2017, and annually on or before each January 10 thereafter, would require the Natural Resources Agency to submit to the relevant fiscal and policy committees of the Legislature and to the Legislative Analyst's Office a report that contains certain information relating to the act for the previous fiscal year. The bill would repeal this reporting requirement on January 1, 2022.

Existing law, the California Emergency Services Act, sets forth the emergency powers of the Governor under its provisions and empowers the Governor to proclaim a state of emergency for certain conditions, including drought. During a state of emergency, existing law authorizes the Governor to suspend any regulatory statute, or statute prescribing the procedure for conduct of state business, or the orders, rules, or regulations of any state agency where the Governor determines and declares that strict compliance with any statute, order, rule, or regulation would in any way prevent, hinder, or delay the mitigation of the effects of the emergency. Pursuant to this authority, the Governor proclaimed a state of emergency, and a continued state of emergency, due to drought conditions and suspended certain statutes.

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This bill would require the Natural Resources Agency, on or before January 1, 2020, to submit to the relevant fiscal and policy committees of the Legislature and to the Legislative Analyst's Office a report summarizing lessons learned from the state's response to the drought and would require the report to compile information from various state entities responsible for drought response activities.

(16) Existing law appropriates \$3,750,000 on an annual basis from fee revenue in the Water Rights Fund to the State Water resources Control Board for the purpose of funding 25 permanent water enforcement right positions.

This bill would limit that appropriation in a specific manner.

- (17) This bill would appropriate \$230,000 from the Timber Regulation and Forest Restoration Fund to the Secretary of the Natural Resources Agency to provide public process and scientific expertise and per diem payments to nongovernmental participants of Timber Regulation and Forest Restoration Program working groups.
- (18) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(19) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. It is the intent of the Legislature to provide funding
- 2 for various projects that decrease wildfire risk and reduce
- 3 greenhouse gas emissions that are caused by wildfires in Tier 1
- 4 High Hazard Zones identified by the Tree Mortality Task Force.
- 5 However, it is not the intent of the Legislature that this act
- 6 eliminate, alter, or otherwise interfere with any activities
- 7 implemented by the Tree Mortality Task Force relating to forest
- 8 improvement and health, including vegetation management
- 9 activities.
- 10 SEC. 2. Section 412 is added to the Food and Agricultural
- 11 Code, to read:

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412. (a) The Legislature finds and declares that a diversity of dairy methane management practices, including anaerobic digesters and nondigester dairy methane management strategies, can effectively reduce greenhouse gas emissions. Nondigester dairy methane management strategies include, but are not limited to, scrape conversion, open solar drying and composting of manure onsite, conversion of dairy operations to pasture-based management, and solid separation technologies.

- (b) For purposes of this section, the following terms have the following meanings:
- (1) "Conversion of dairy operations to pasture-based management" means dairying systems where the dairy cows spend a portion of their time grazing on fields in which some or all of the manure is deposited and left in the field and decomposes aerobically, which avoids methane emissions.
- (2) "Open solar drying and composting of manure onsite" means the collection, storage, and drying of dairy manure in a nonliquid environment.
- (3) "Scrape conversion" means the conversion of flush water lagoon systems to solid-scrape or dry manure management practices, including vacuum technologies for manure management.
- (4) "Solid separation technologies" means technologies designed to separate liquid components of manure from minerals and organic components, for the purposes of reducing methane emissions.
- SEC. 3. Section 568 of the Food and Agricultural Code is amended to read:
- 568. (a) The secretary shall convene a—five-member nine-member Scientific Advisory Panel on Environmental Farming to advise the secretary on the implementation of the Healthy Soils Program established pursuant to Section 569, and the State Water Efficiency and Enhancement Program established by the department from moneys made available pursuant to Chapter 2 of the Statutes of 2014, and to assist federal, state, and local government agencies agencies, as appropriate or necessary, on issues relating to the impact of agricultural practices on air, water, and wildlife habitat to do the following:
- (1) Review data on the impact that agriculture has on the environment and recommend to *the secretary and* appropriate state agencies data that the panel approves as scientifically valid. A state

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agency that receives data recommended by the panel may adopt and incorporate the data into the appropriate program. If a state agency does not utilize the data recommended by the panel, it shall provide the panel with a written statement best available science on environmental impacts of reasons for not utilizing the data. The reasons, at a minimum, shall specify agriculture, as well as practices and policies based on that information to advance the scientific basis for not utilizing the data. The reasons shall be provided within 180 days goals of receiving the data from the panel. this article, including Section 569.

- (2) Compile the net environmental impacts that agriculture creates for the environment, identified pursuant to paragraph (1).
- (3) Research, review, and comment on data upon which proposed environmental policies and regulatory programs are based to ensure that the environmental impacts of agricultural activities are accurately portrayed and to identify incentives that may be provided to encourage agricultural practices with environmental benefits.
- (4) Assist government agencies to incorporate benefits policies and practices identified pursuant to paragraph (1) into environmental regulatory programs.
- (b) (1) Members of the panel shall be highly qualified and professionally active or engaged in the conduct of scientific research. Of the members first appointed to the panel, two shall serve for a term of two years and three shall serve for a term of three years, as determined by lot. Thereafter, members shall be appointed for a term of three years. The members shall be appointed as follows:
 - (A) Five members shall be appointed by the secretary as follows: $\frac{(1)}{(1)}$
- (i) Three members shall be appointed by the secretary. At least one of these two members shall have a minimum of five years of training and experience in the field of agriculture and shall represent production agriculture.
- (ii) At least one member shall have training and field experience in on-farm management practices that reduce greenhouse gas emissions, sequester carbon, or both.
- 38 (iii) At least one member shall be certified as a producer 39 pursuant to federal Organic Foods Production Act of 1990 (7 40 U.S.C. Sec. 6501 et seq.).

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1 (iv) At least one member shall have technical expertise in 2 agricultural conservation planning and management.

(2)

 (B) Two members shall be appointed by the Secretary for Environmental Protection. One member, who has shall have a minimum of five years of training and experience in the field of human health or environmental science, and one shall be appointed by the Secretary of the Environmental Protection Agency. have expertise in greenhouse gas emissions reductions practices related to agriculture.

(3)

- (C) One member, Two members who has have a minimum of five years of training and experience in the field of resource management, management shall be appointed by the Secretary of the Natural Resources Agency. One member shall be appointed by additionally have expertise in climate change adaptation and climate change impacts in the Secretary of the Resources Agency. agricultural sector.
- (2) The secretary may also appoint, in consultation with the panel, ex officio nonvoting members to the panel.
- (c) The panel may establish ad hoc committees, which may include professionals professionals, scientists, or scientists, representatives of nongovernmental entities, to assist it in performing its functions.
- (d) The panel shall be created and maintained with funds made available from existing resources within the department to the extent they are available.
- (e) The State Air Resources Board shall consult with the secretary and the panel, as appropriate, in developing the quantification methods described in subdivision (b) of Section 16428.9 of the Government Code as it relates to the demonstration and quantification of on-farm greenhouse gas emissions reductions.
- 33 SEC. 4. Section 569 is added to the Food and Agricultural 34 Code, to read:
 - 569. (a) (1) The department, in consultation with the panel, shall establish and oversee a Healthy Soils Program. The program shall seek to optimize climate benefits while supporting the economic viability of California agriculture by providing incentives, including, but not limited to, loans, grants, research, and technical assistance, and educational materials and outreach,

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to farmers whose management practices contribute to healthy soils and result in net long-term on-farm greenhouse gas benefits. The program may also include the funding of on-farm demonstration projects that further the goals of the program.

- (2) The department, in consultation with the panel, may determine priorities for the program and give priority to projects that occur in and benefit disadvantaged communities identified pursuant to Section 39711 of the Health and Safety Code, show promise of being replicable in other parts of the state, or provide environmental and agronomic cobenefits, such as improved air and water quality, improved crop yield, and reduced soil erosion.
- (3) The panel shall also advise the department on scientific findings, program framework, guidelines, grower incentives, and providing technical assistance.
- (4) If the department elects to fund on-farm demonstration projects described in paragraph (1), the department, in consultation with the panel, shall establish a technical advisory committee to review on-farm demonstration project applications for scientific validity and the proposed project's potential to achieve greenhouse gas benefits.
- (b) The department shall implement the program and quantify greenhouse gas emissions reductions in accordance with the funding guidelines developed by the State Air Resources Board pursuant to Section 39715 of the Health and Safety Code and the quantification methods developed by the State Air Resources Board pursuant to Section 16428.9 of the Government Code.
- (c) (1) The department may pursue public and private sources to support the Healthy Soils Program.
- (2) To the extent funds are available, the department may provide support to the program, including, but not limited to, technical assistance, education, and outreach.
- (d) For purposes of this section, "panel" means the Scientific Advisory Panel on Environmental Farming.
- (e) For purposes of the Healthy Soils Program, the following terms have the following meanings:
- (1) "Greenhouse gas benefits" means greenhouse gas emissions source reduction or carbon sequestration.
- (2) "Healthy soils" means soils that enhance their continuing capacity to function as a biological system, increase soil organic

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matter, improve soil structure and water- and nutrient-holding capacity, and result in net long-term greenhouse gas benefits.

- (3) "On-farm demonstration projects" means projects that incorporate farm management practices that result in greenhouse gas benefits across all farming types with the intent to establish or promote healthy soils.
- 7 SEC. 5. Section 12802.10 is added to the Government Code, 8 to read:
 - 12802.10. (a) For purposes of this section, the following terms have the following meanings:
 - (1) "Critically underserved community" has the same meaning as defined in Section 5642 of the Public Resources Code.
 - (2) "Disadvantaged community" means a community identified pursuant to Section 39711 of the Health and Safety Code or pursuant to Section 75005 of the Public Resources Code.
 - (3) "Multiple benefits" includes, but is not limited to, a decrease in air and water pollution or a reduction in the consumption of natural resources and energy, including, but not limited to, the establishment and enhancement of projects listed in subdivision (e).
 - (4) "Secretary" means the Secretary of the Natural Resources Agency.
 - (b) To support the development of sustainable communities, the secretary shall manage and award financial assistance, for the preparation and implementation of green infrastructure projects that reduce greenhouse gas emissions and provide multiple benefits, to any of the following:
 - (1) A city.
- 29 (2) A county.
 - (3) A special district.
- 31 (4) A nonprofit organization.
- (5) An agency or entity formed pursuant to the Joint Exercise
 of Powers Act (Chapter 5 (commencing with Section 6500) of
 Division 7 of Title 1) if at least one of the parties to the joint powers
 agreement qualifies as an eligible applicant, notwithstanding the
 Joint Exercise of Powers Act.
- (c) Moneys from the Greenhouse Gas Reduction Fund, created
 pursuant to Section 16428.8, shall be available, upon appropriation
 by the Legislature, for allocation by the secretary pursuant to this
 section.

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(d) The secretary shall develop minimum requirements for awarding moneys for eligible projects pursuant to this section. Those requirements shall require a project, in addition to reducing greenhouse gas emissions, to do at least one of the following:

- (1) Acquire, create, enhance, or expand community parks and green spaces.
- (2) Use natural systems or systems that mimic natural systems to achieve multiple benefits.
- (e) The multiple benefits of a project may include, but are not limited to, the establishment or enhancement of at least two of the following:
- (1) The greening of existing public lands and structures, including schools.
 - (2) Multiobjective stormwater projects, including the construction of permeable surfaces and collection basins and barriers.
 - (3) Green streets and alleys that integrate green infrastructure elements into the street or alley design, including permeable surfaces, bioswales, and trees.
 - (4) Urban heat island mitigation and energy conservation efforts through greening, including green roof projects.
 - (5) Nonmotorized urban trails that provide safe routes for both recreation and travel between residences, workplaces, commercial centers, and schools.
 - (6) Tree canopy.
 - (7) Wetlands.

- (8) Neighborhood, city, regional, or county parks and open space.
- (9) Climate resilience and adaptation of urban areas that reduce vulnerability to climate impacts and improve the ability of natural systems to buffer the impacts of climate change.
- (10) Economic, social, and health benefits, including, but not limited to, recreational opportunities, workforce education and training, contracting, and job opportunities for disadvantaged communities.
- (f) The secretary shall give additional consideration to awarding moneys for a project pursuant to this section that meets at least two of the following criteria:
- 39 (1) Provides park or recreational benefits to a critically 40 underserved community or disadvantaged community.

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1 (2) Is proposed by a critically underserved community or 2 disadvantaged community.

- (3) Develops partnerships with local community organizations and businesses in order to strengthen outreach to disadvantaged communities, provides access to quality jobs for residents of disadvantaged communities, or provides access to workforce education and training.
 - (4) Uses interagency cooperation and integration.
- (5) Uses existing public lands and facilitates the use of public resources and investments, including schools.
- (g) The secretary shall allocate at least 75 percent of the moneys available for the purposes of this section to projects that are located in, and that provide benefits to, disadvantaged communities.
- (h) In implementing this section, the secretary shall maximize the expenditure of funds made available pursuant to the Statewide Park Development and Community Revitalization Act of 2008 (Chapter 3.3 (commencing with Section 5640) of Division 5 of the Public Resources Code).
- (i) The secretary shall hold at least two public hearings to gather public input on program development before establishing the program guidelines and selection criteria. The Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1) does not apply to the development and adoption of guidelines and selection criteria adopted pursuant to this section.
- SEC. 6. Section 16428.86 is added to the Government Code, to read:
- 16428.86. (a) Prior to awarding grant funds from moneys made available from the Greenhouse Gas Reduction Fund, the Department of Food and Agriculture shall review the applicant's analysis identifying potential adverse impacts of the proposed project, including a net increase in criteria pollutants, toxic air contaminants, and hazardous air pollutants; groundwater and surface water impacts; and truck traffic and odor.
- (b) A project shall not receive funding unless the applicant has demonstrated to the Department of Food and Agriculture that the applicant has done all of the following:
- (1) Conducted outreach in areas that will potentially be adversely impacted by the project.
 - (2) Determined potential adverse impacts of the project.

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(3) Committed to measures to mitigate impacts.

- (c) In making awards, the Department of Food and Agriculture shall prioritize projects based on the criteria pollutant emission benefits achieved by the project.
- (d) A project funded by the Department of Food and Agriculture that results in localized impacts in disadvantaged communities shall not be considered to provide a benefit to disadvantaged communities for the purposes of Section 39713 of the Health and Safety Code.
- SEC. 7. Section 39712 of the Health and Safety Code is amended to read:
- 39712. (a) (1) It is the intent of the Legislature that moneys shall be appropriated from the fund only in a manner consistent with the requirements of this chapter and Article 9.7 (commencing with Section 16428.8) of Chapter 2 of Part 2 of Division 4 of Title 2 of the Government Code.
- (2) The state shall not approve allocations for a measure or program using moneys appropriated from the fund except after determining, based on the available evidence, that the use of those moneys furthers the regulatory purposes of Division 25.5 (commencing with Section 38500) and is consistent with law. If any expenditure of moneys from the fund for any measure or project is determined by a court to be inconsistent with law, the allocations for the remaining measures or projects shall be severable and shall not be affected.
- (b) Moneys shall be used to facilitate the achievement of reductions of greenhouse gas emissions in this state consistent with Division 25.5 (commencing with Section 38500) and, where applicable and to the extent feasible:
- (1) Maximize economic, environmental, and public health benefits to the state.
- (2) Foster job creation by promoting in-state greenhouse gas emissions reduction projects carried out by California workers and businesses.
 - (3) Complement efforts to improve air quality.
- (4) Direct investment toward the most disadvantaged communities and households in the state.
- 38 (5) Provide opportunities for businesses, public agencies, *Native* 39 *American tribes in the state*, nonprofits, and other community

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institutions to participate in and benefit from statewide efforts to reduce greenhouse gas emissions.

- (6) Lessen the impacts and effects of climate change on the state's communities, economy, and environment.
- (c) Moneys appropriated from the fund may be allocated, consistent with subdivision (a), for the purpose of reducing greenhouse gas emissions in this state through investments that may include, but are not limited to, any of the following:
- (1) Funding to reduce greenhouse gas emissions through energy efficiency, clean and renewable energy generation, distributed renewable energy generation, transmission and storage, and other related actions, including, but not limited to, at public universities, state and local public buildings, and industrial and manufacturing facilities.
- (2) Funding to reduce greenhouse gas emissions through the development of state-of-the-art systems to move goods and freight, advanced technology vehicles and vehicle infrastructure, advanced biofuels, and low-carbon and efficient public transportation.
- (3) Funding to reduce greenhouse gas emissions associated with water use and supply, land and natural resource conservation and management, forestry, and sustainable agriculture.
- (4) Funding to reduce greenhouse gas emissions through strategic planning and development of sustainable infrastructure projects, including, but not limited to, transportation and housing.
- (5) Funding to reduce greenhouse gas emissions through increased in-state diversion of municipal solid waste from disposal through waste reduction, diversion, and reuse.
- (6) Funding to reduce greenhouse gas emissions through investments in programs implemented by local and regional agencies, local and regional collaboratives, *Native American tribes in the state*, and nonprofit organizations coordinating with local governments.
- (7) Funding research, development, and deployment of innovative technologies, measures, and practices related to programs and projects funded pursuant to this chapter.
- SEC. 8. Section 44274.3 is added to the Health and Safety Code, to read:
- 44274.3. (a) For purposes of this section, "low income" means a resident of the state whose household income is less than or equal to 300 percent of the federal poverty level.

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(b) Beginning November 1, 2016, under the Clean Vehicle Rebate Project established as a part of the Air Quality Improvement Program, the state board shall do the following:

- (1) Only offer rebates to applicants who purchase an eligible vehicle and have a gross annual income, as reported on the Internal Revenue Service Form 1040A, or the Internal Revenue Service Form 1040A, or the Internal Revenue Service Form 1040EZ, that does not exceed the following:
- 9 (A) One hundred fifty thousand dollars (\$150,000) for single 10 filers.
 - (B) Two hundred four thousand dollars (\$204,000) for head-of-household filers.
 - (C) Three hundred thousand dollars (\$300,000) for joint filers.
 - (2) Increase the rebate payment by five hundred dollars (\$500) for a low-income applicant for all eligible vehicle types.
 - (3) Only offer rebates for plug-in hybrids that have an electric range of at least 20 miles.
 - (4) Provide outreach to low-income households to increase consumer awareness of the rebate project.
 - (5) Prioritize rebate payments to low-income applicants.
 - (c) The income restrictions set forth in paragraph (1) of subdivision (b) shall not apply to fuel cell vehicles.
 - (d) This section shall become inoperative on July 1, 2017, and, as of January 1, 2018, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2018, deletes or extends the dates on which it becomes inoperative and is repealed.
 - SEC. 9. Section 717 is added to the Public Resources Code, to read:
 - 717. (a) The Secretary of the Natural Resources Agency shall establish a working group on expanding wood product markets that can utilize woody biomass, especially biomass that is removed from high hazard zones, as determined by the department. These markets include, but are not limited to, animal bedding, biochar, cross-laminated timber, mulch, oriented strand board, pulp, post, shredding, and veneer products.
 - (b) At a minimum, the working group shall include members of the working group on wood market products established under the Proclamation of a State of Emergency on Tree Mortality declared by the Governor on October 30, 2015.

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 (c) By June 1, 2017, the working group shall submit recommendations to the Legislature on actions that may be taken to encourage the development of the wood product markets, including the identification of potential pilot projects.

SEC. 10. Section 4799.05 is added to the Public Resources Code, to read:

- 4799.05. (a) The director may provide grants to, or enter into contracts or other cooperative agreements with, entities, including, but not limited to, private or nongovernmental entities, Native American tribes, or local, state, and federal public agencies, for the implementation and administration of projects and programs to improve forest health and reduce greenhouse gas emissions.
- (b) Any project or program described in this section that is funded with moneys from the Greenhouse Gas Reduction Fund, created pursuant to Section 16428.8 of the Government Code, shall comply with all statutory and program requirements applicable to the use of moneys from the fund.
- (c) Moneys appropriated to the department for landscape-scale projects shall be allocated as follows:
- (1) To subsidize the removal of small diameter material, especially surface fuels and ladder fuels, as well as dead trees, in order to help develop markets for beneficial uses of the material, including, but not limited to, animal bedding, biochar, cross-laminated timber, mulch, oriented strandboard, pulp, post, shredding, and veneer products.
- (2) For multiple benefit projects, such as tree thinning, carbon sequestration, forest resilience, and improved ecological outcome projects, including, but not limited to, restoring watershed health and function and supporting biodiversity and wildlife adaptation to climate change. The department shall give grant funding priority to landowners who practice uneven-age forest management with a resilient forest of diverse age, size, and species class within the boundaries of the project and whose activities are conducted pursuant to an approved timber harvest plan, nonindustrial timber harvest plan, or working forest management plan. An application for a grant for a project under this subparagraph shall include a description of how the proposed project will increase average stem diameter and provide other site-specific improvement to forest complexity, as demonstrated by the expansion of the variety of tree age classes and species persisting for a period of at least 50 years.

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The department shall also give funding priority to landowners who agree to long-term forest management goals prescribed by the department.

- (3) For activities on National Forest lands to increase tree stand heterogeneity, create forest openings of less than one acre, and increase average tree stand diameter of residual trees. Any grants provided under this subparagraph shall be approved by the department, in collaboration with appropriate state agencies, including the State Air Resources Board.
- SEC. 11. Section 6009.1 of the Public Resources Code is amended to read:
 - 6009.1. The Legislature finds and declares all of the following:
- (a) Granted public trust lands remain subject to the supervision of the state and the state retains its duty to protect the public interest in granted public trust lands.
- (b) The state acts both as the trustor and the representative of the beneficiaries, who are all of the people of this state, with regard to public trust lands, and a grantee of public trust lands, including tidelands and submerged lands, acts as a trustee, with the granted tidelands and submerged lands as the corpus of the trust.
- (c) A grantee may fulfill its fiduciary duties as trustee by determining the application of each of the following duties, all of which are applicable under common trust principles:
 - (1) The duty of loyalty.
 - (2) The duty of care.

1 2

- (3) The duty of full disclosure.
- (4) The duty to keep clear and adequate records and accounts.
- (5) The duty to administer the trust solely in the interest of the beneficiaries.
 - (6) The duty to act impartially in managing the trust property.
- (7) The duty to not use or deal with trust property for the trustee's own profit or for any other purpose unconnected with the trust, and to not take part in a transaction in which the trustee has an interest adverse to the beneficiaries.
- (8) The duty to take reasonable steps under the circumstances to take and keep control of and to preserve the trust property.
- (9) The duty to make the trust property productive under the circumstances and in furtherance of the purposes of the trust.

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(10) The duty to keep the trust property separate from other property not subject to the trust and to see that the trust property is designated as property of the trust.

- (11) The duty to take reasonable steps to enforce claims that are part of the trust property.
- (12) The duty to take reasonable steps to defend actions that may result in a loss to the trust.
- (13) The duty to not delegate to others the performance of acts that the trustee can reasonably be required to perform and to not transfer the administration of the trust to a cotrustee. If a trustee has properly delegated a matter to an agent, the trustee has a duty to exercise direct supervision over the performance of the delegated matter
- (d) All duties endowed upon a trustee of state lands shall depend upon the terms of the trust, and if there is no provision, express or implied, within the terms of the trust, a statute, or a grant, the trustee's duties shall be interpreted and determined by principles and rules evolved by courts of equity with respect to common trust principles.
- (e) Notwithstanding any other law, and in addition to any other rights and capacities of a trustee to act under law, a trustee of public trust lands shall have the right to bring any action related to its granted public trust lands, including an action to abate a public nuisance, as a representative of the beneficiaries.

(e)

- (f) Common trust principles do not nullify an act of the Legislature or modify its duty under the California Constitution to do all things necessary to execute and administer the public trust.
- SEC. 12. Section 42997 of the Public Resources Code is amended to read:
 - 42997. (a) The CalRecycle Greenhouse Gas Reduction Revolving Loan Program is hereby established and shall be administered by the department.
- (b) (1) The department shall expend the moneys transferred pursuant to subdivision (c) of Section 42996, and any additional moneys appropriated by the Legislature for the purposes of this subdivision, to provide loans to reduce *the emissions of* greenhouse gas emissions gases by promoting in-state development of infrastructure or other projects to reduce organic waste or process

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organics organic and other recyclable materials into new value-added products. The moneys shall be expended consistent with the requirements of Article 9.7 (commencing with Section 16428.8) of Chapter 2 of Part 2 of Division 4 of Title 2 of the Government Code and Chapter 4.1 (commencing with Section 39710) of Part 2 of Division 26 of the Health and Safety Code.

- (2) For a loan made pursuant to this subdivision, the department shall expend the moneys in the loan fund to provide loans to public and private entities—located in for in-state infrastructure projects or other projects that reduce the state for emissions of greenhouse gases by any of the following:
 - (A) Organics composting.

- (B) Anaerobic Organics in-vessel digestion.
- (C) Recyclable material—manufacturing infrastructure projects or other related activities that reduce greenhouse gas emissions. *manufacturing*.
- (D) Activities that expand and improve waste diversion and recycling, including, but not limited to, food waste prevention.
- (3) For purposes of this subdivision, eligible infrastructure projects that reduce greenhouse gas emissions include, but are not limited to, any of the following:
- (A) Capital investments in new facilities and increased throughput at existing facilities for activities, such as converting windrow composting to aerated-static-pile composting to use food waste as feedstock.
- (B) Designing and constructing—anaerobic organics in-vessel digestion facilities to produce biofuels products, such as biofuels, bioenergy, and bioenergy, soil amendments.
- (C) Designing and constructing facilities for processing recyclable materials.
- (4) For a loan made pursuant to this subdivision, both of the following apply:
- (A) The terms and conditions of an approved loan shall be specified in a loan agreement and related documents between the borrower and the department. These terms and conditions shall include reporting requirements that include, but are not limited to, reporting the information specified in Section 16428.9 of the Government Code.
- (B) The department shall approve only those loan applications that demonstrate the applicant's ability to repay the loan.

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(5) The department may establish additional requirements that it determines to be necessary or useful to achieve the revolving loan program's objectives, including, but not limited to, ensuring repayment ability.

SEC. 13. Section 42999 of the Public Resources Code is amended to read:

- 42999. (a) Any additional funds appropriated by the Legislature from the Greenhouse Gas Reduction Fund, established pursuant to Section 16428.8 of the Government Code, to the department shall be used to administer a grant program to provide financial assistance to reduce the emissions of greenhouse—gas emissions gases by promoting in-state development of infrastructure infrastructure, food waste prevention, or other projects to reduce organic waste or process—organics organic and other recyclable materials into new value-added products. The moneys shall be expended consistent with the requirements of Article 9.7 (commencing with Section 16428.8) of Chapter 2 of Part 2 of Division 4 of Title 2 of the Government Code and Chapter 4.1 (commencing with Section 39710) of Part 2 of Division 26 of the Health and Safety Code.
- (b) For a grant made pursuant to this section, the *The* department shall expend the moneys to provide grants, incentive payments, contracts, or other funding mechanisms to public and private entities—located in for in-state infrastructure projects or other projects that reduce the state for emissions of greenhouse gases by any of the following:
 - (1) Organics composting.
 - (2) Anaerobie-Organics in-vessel digestion.
- (3) Recyclable material—manufacturing infrastructure projects or other related activities that reduce greenhouse gas emissions. *manufacturing*.
- (4) Activities that expand and improve waste diversion and recycling, including, but not limited to, food waste prevention.
- (c) For purposes of this section, eligible infrastructure projects that reduce greenhouse gas emissions include, but are not limited to, any of the following:
- (1) Capital investments in new facilities and increased throughput at existing facilities for activities, such as converting windrow composting to aerated-static-pile composting to use food waste as feedstock.

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(2) Designing and constructing—anaerobic organics in-vessel digestion facilities to produce biofuels products, such as biofuels, bioenergy, and bioenergy. soil amendments.

- (3) Designing and constructing facilities for processing recyclable materials.
- SEC. 13.5. Section 42999 of the Public Resources Code is amended to read:
- 42999. (a) Any additional funds appropriated by the Legislature from the Greenhouse Gas Reduction Fund, established pursuant to Section 16428.8 of the Government Code, to the department shall be used to administer a grant program to provide financial assistance to reduce *the emissions of* greenhouse—gas emissions gases by promoting in-state development of infrastructure infrastructure, food waste prevention, or other projects to reduce organic waste or process—organics organic and other recyclable materials into—new new, value-added products. The moneys shall be expended consistent with the requirements of Article 9.7 (commencing with Section 16428.8) of Chapter 2 of Part 2 of Division 4 of Title 2 of the Government Code and Chapter 4.1 (commencing with Section 39710) of Part 2 of Division 26 of the Health and Safety Code.
- (b) For a grant made pursuant to From moneys appropriated for purposes of this section, the department shall—expend the moneys to provide grants, incentive payments, contracts, or other funding mechanisms to public and private entities—located in for in-state infrastructure projects or other projects that reduce the state for emissions of greenhouse gases by any of the following:
 - (1) Organics composting.

- (2) Anaerobic Organics in-vessel digestion.
- (3) Recyclable material manufacturing infrastructure projects or other related activities that reduce greenhouse gas emissions. *manufacturing*.
- (4) Activities that expand and improve waste diversion and recycling, including, but not limited to, food waste prevention.
- (c) For purposes of this section, eligible infrastructure projects that reduce greenhouse gas emissions include, but are not limited to, any of the following:
- 38 (1) Capital investments in new facilities and increased 39 throughput at existing facilities for activities, such as converting

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windrow composting to aerated-static-pile composting to use food waste as feedstock.

- (2) Designing and constructing—anaerobie organics in-vessel digestion facilities to produce biofuels products, such as biofuels, bioenergy, and bioenergy. soil amendments.
- (3) Designing and constructing facilities for processing recyclable materials.
- (d) In awarding a grant for organics composting or anaerobic digestion pursuant to this section, the department shall consider all of the following:
- (1) The amount of greenhouse gas emissions reductions that may result from the project.
- (2) The amount of organic material that may be diverted from landfills as a result of the project.
- (3) If, and how, the project may benefit disadvantaged communities.
- (4) For a grant awarded for an anaerobic digestion project, if, and how, the project maximizes resource recovery, including the production of clean energy or low-carbon or carbon negative transportation fuels.
- (5) Project readiness and permitting that the project may require.
 - (6) Air and water quality benefits that the project may provide.
- (e) To the degree that funds are available, the department may provide larger grant awards for large-scale regional integrated projects that provide cost-effective organic waste diversion and maximize environmental benefits.
- SEC. 14. Section 399.20.3 is added to the Public Utilities Code, to read:
- 30 399.20.3. (a) For purposes of this section, the following 31 definitions apply:
 - (1) "Bioenergy" has the same meaning as set forth in paragraph (4) of subdivision (f) of Section 399.20.
 - (2) "Tier 1 high hazard zone" includes areas where wildlife and falling trees threaten power lines, roads, and other evacuation corridors, critical community infrastructure, or other existing
- 37 structures, as designated by the Department of Forestry and Fire
- 38 Protection pursuant to the Proclamation of a State of Emergency
- 39 on Tree Mortality declared by the Governor on October 30, 2015.

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(3) "Tier 2 high hazard zone" includes watersheds that have significant tree mortality combined with community and natural resource assets, as designated by the Department of Forestry and Fire Protection pursuant to the Proclamation of a State of Emergency on Tree Mortality declared by the Governor on October 30, 2015.

- (b) In addition to the requirements of subdivision (f) of Section 399.20, the commission, beginning December 1, 2016, shall direct retail sellers to collectively procure, through financial commitments of five years, their proportionate share of 125 megawatts of cumulative rated generating capacity from existing in-state bioenergy projects that commenced operations prior to June 1, 2013. At least 80 percent of the feedstock of an eligible facility, on an annual basis, shall be a byproduct of sustainable forestry management, which includes removal of dead and dying trees from Tier 1 and Tier 2 high hazard zones. At least 60 percent of this feedstock shall be from Tier 1 and Tier 2 high hazard zones and not from lands that have been clear-cut.
- (c) (1) For each retail seller, the commission shall allocate its proportionate share of the 125 megawatts based on the ratio of the retail seller's peak demand to the total statewide peak demand.
- (2) Procurement by an electrical corporation of generation capacity pursuant to a contract under the commission's Resolution E-4770 that is in excess of the requirement of that electrical corporation under that resolution shall count towards meeting the electrical corporation's proportionate share allocated pursuant to paragraph (1).
- (d) The commission may direct each electrical corporation to develop standard contract terms and conditions that reflect the operational characteristics of the bioenergy projects and to provide a streamlined contracting process or may require retail sellers to use the mechanism established pursuant to the commission's Resolution E-4770 to meet the requirements of subdivision (c). The procurement pursuant to the developed standard contract shall occur on an expedited basis due to the Proclamation of a State of Emergency on Tree Mortality declared by the Governor on October 30, 2015.
- (e) A local publicly owned electric utility serving more than 100,000 customers shall procure its proportionate share, based on the ratio of the utility's peak demand to the total statewide peak

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39 40 demand, of 125 megawatts of cumulative rated capacity from existing in-state bioenergy projects described in subdivision (b) subject to terms of at least five years.

- (f) The commission shall ensure that the costs of any contract procured by an electrical corporation to satisfy the requirements of this section are recoverable from all customers on a nonbypassable basis.
- (g) The Procurement Oversight Group within the commission shall advise the commission on the cost of the generation procured pursuant to this section and its impact on ratepayers.
- SEC. 15. The State Air Resources Board, in consultation with the Natural Resources Agency and the Department of Forestry and Fire Protection, shall do both of the following:
- (a) No later than July 1, 2017, complete a standardized greenhouse gas emissions inventory for natural and working lands.
- (b) (1) No later than January 1, 2018, complete a standardized accounting framework for forests that supports statewide greenhouse gas emissions reduction goals and investments of moneys from the Greenhouse Gas Reduction Fund, established pursuant to Section 16428.8 of the Government Code.
- (2) The accounting framework shall include a statewide baseline projection of business-as-usual emissions and carbon sequestration and shall consider state, regional, and project scales of accounting based on forest type and other ecological indicators.
- SEC. 16. Notwithstanding subdivision (c) of Section 13264 of, subdivision (f) of Section 13268 of, subdivision (k) of Section 13350 of, and paragraph (2) of subdivision (n) of Section 13385 of, the Water Code, one million four hundred thousand dollars (\$1,400,000) is hereby appropriated in fiscal year 2016–17 to the State Water Resources Control Board from the moneys deposited into, and separately accounted for in, the Waste Discharge Permit Fund pursuant to the balance of penalty revenues generated by the imposition of liabilities pursuant to subdivision (c) of Section 13264 of, subdivision (f) of Section 13268 of, subdivision (k) of Section 13350 of, and paragraph (2) of subdivision (n) of Section 13385 of, the Water Code. The funds appropriated in this section are available to the State Water Resources Control Board to provide grants or contracts for the development of planning, environmental, and design documents in furtherance of projects for eliminating public health and safety risks from wastewater,

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1 and agricultural and other drainage of urbanized areas for 2 tributaries to the Salton Sea.

SEC. 17. Section 13.5 of this bill incorporates amendments to Section 42999 of the Public Resources Code proposed by both this bill and Senate Bill 970. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2017, but this bill becomes operative first, (2) each bill amends Section 42999 of the Public Resources Code, and (3) this bill is enacted after Senate Bill 970, in which case Section 42999 of the Public Resources Code, as amended by Section 13 of this bill, shall remain operative only until the operative date of Senate Bill 970, at which time Section 13.5 of this bill shall become operative.

SEC. 18. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act or because costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIIIB of the California Constitution.

SEC. 19. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.

SECTION 1. Section 1602 of the Fish and Game Code is amended to read:

1602. (a) An entity shall not substantially divert or obstruct the natural flow of, or substantially change or use any material from the bed, channel, or bank of, any river, stream, or lake, or deposit or dispose of debris, waste, or other material containing crumbled, flaked, or ground pavement where it may pass into any river, stream, or lake, unless all of the following occur:

(1) The department receives written notification regarding the activity in the manner prescribed by the department. The notification shall include, but is not limited to, all of the following:

(A) A detailed description of the project's location and a map.

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(B) The name, if any, of the river, stream, or lake affected.

- (C) A detailed project description, including, but not limited to, construction plans and drawings, if applicable.
- (D) A copy of any document prepared pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code.
- (E) A copy of any other applicable local, state, or federal permit or agreement already issued.
 - (F) Any other information required by the department.
- (2) The department determines the notification is complete in accordance with Chapter 4.5 (commencing with Section 65920) of Division 1 of Title 7 of the Government Code, irrespective of whether the activity constitutes a development project for the purposes of that chapter.
 - (3) The entity pays the applicable fees, pursuant to Section 1609.
 - (4) One of the following occurs:
- (A) (i) The department informs the entity, in writing, that the activity will not substantially adversely affect an existing fish or wildlife resource, and that the entity may commence the activity without an agreement, if the entity conducts the activity as described in the notification, including any measures in the notification that are intended to protect fish and wildlife resources.
- (ii) Each region of the department shall log the notifications of activities where no agreement is required. The log shall list the date the notification was received by the department, a brief description of the proposed activity, and the location of the activity. Each item shall remain on the log for one year. Upon written request by any person, a regional office shall send the log to that person monthly for one year. A request made pursuant to this clause may be renewed annually.
- (B) The department determines that the activity may substantially adversely affect an existing fish or wildlife resource and issues a final agreement to the entity that includes reasonable measures necessary to protect the resource, and the entity conducts the activity in accordance with the agreement.
- (C) A panel of arbitrators issues a final agreement to the entity in accordance with subdivision (b) of Section 1603, and the entity conducts the activity in accordance with the agreement.
- (D) The department does not issue a draft agreement to the entity within 60 days from the date notification is complete, and the entity conducts the activity as described in the notification,

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including any measures in the notification that are intended to protect fish and wildlife resources. 3

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- (b) (1) If an activity involves the routine maintenance and operation of water supply, drainage, flood control, or waste treatment and disposal facilities, notice to and agreement with the department shall not be required after the initial notification and agreement, unless the department determines either of the following:
- (A) The work described in the agreement has substantially changed.
- (B) Conditions affecting fish and wildlife resources have substantially changed, and those resources are adversely affected by the activity conducted under the agreement.
- (2) This subdivision applies only if notice to, and agreement with, the department was attained prior to January 1, 1977, and the department has been provided a copy of the agreement or other proof of the existence of the agreement that satisfies the department, if requested.
- (c) Notwithstanding subdivision (a), the department is not required to determine whether the notification is complete or otherwise process the notification until the department has received the applicable fees.
- (d) (1) Notwithstanding subdivision (a), an entity shall not be required to obtain an agreement with the department pursuant to this chapter for activities authorized by a license or renewed license for cannabis cultivation issued by the Department of Food and Agriculture for the term of the license or renewed license if all of the following occur:
 - (A) The entity submits all of the following to the department:
- (i) The written notification described in paragraph (1) of subdivision (a).
- (ii) A copy of the license or renewed license for cannabis cultivation issued by the Department of Food and Agriculture that includes the requirements specified in subdivisions (d), (e), and (f) of Section 19332.2 of the Business and Professions Code.
 - (iii) The fee specified in paragraph (3) of subdivision (a).
- (B) The department determines in its sole discretion that compliance with the requirements specified in subdivisions (d), (e), and (f) of Section 19332.2 of the Business and Professions Code that are included in the license will adequately protect

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existing fish and wildlife resources that may be substantially adversely affected by the cultivation without the need for additional measures that the department would include in a draft streambed alteration agreement in accordance with Section 1603.

- (C) The department notifies the entity in writing that the exemption applies to the cultivation authorized by the license or renewed license.
- (2) The department shall notify the entity in writing whether the exemption in paragraph (1) applies to the cultivation authorized by the license or renewed license within 60 days from the date that the notification is complete and the fee has been paid.
- (3) If an entity receives an exemption pursuant to this subdivision and fails to comply with any of the requirements described in subdivision (d), (e), or (f) of Section 19332.2 of the Business and Professions Code that are included in the license, the failure shall constitute a violation under this section, and the department shall notify the Department of Food and Agriculture of any enforcement action taken.
 - (e) It is unlawful for any entity to violate this chapter.
- SEC. 2. Section 1609 of the Fish and Game Code is amended to read:
- 1609. (a) The department may establish a graduated schedule of fees to be charged to any entity subject to this chapter. The fees charged shall be established in an amount necessary to pay the total costs incurred by the department in administering and enforcing this chapter, including, but not limited to, preparing and submitting agreements and conducting inspections. The department shall annually adjust the fees pursuant to Section 713. Fees received pursuant to this section shall be deposited in the Fish and Game Preservation Fund.
- (b) (1) The fee schedule established pursuant to subdivision (a) shall not include a fee that exceeds five thousand dollars (\$5,000) for any single project.
- (2) The fee limitation described in paragraph (1) does not apply to any project included in any agreement issued pursuant to subdivision (g) of Section 1605.
- 37 SEC. 3. Section 1610 of the Fish and Game Code is amended to read:
- 39 1610. (a) Except as provided in subdivision (b), this chapter 40 does not apply to any of the following:

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(1) Immediate emergency work necessary to protect life or property.

- (2) Immediate emergency repairs to public service facilities necessary to maintain service as a result of a disaster in an area in which a state of emergency has been proclaimed by the Governor pursuant to Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code.
- (3) Emergency projects undertaken, carried out, or approved by a state or local governmental agency to maintain, repair, or restore an existing highway, as defined in Section 360 of the Vehicle Code, within the existing right-of-way of the highway, that has been damaged as a result of fire, flood, storm, earthquake, land subsidence, gradual earth movement, or landslide, within one year of the damage. Work needed in the vicinity above and below a highway may be conducted outside of the existing right-of-way if it is needed to stop ongoing or recurring mudslides, landslides, or erosion that pose an immediate threat to the highway, or to restore those roadways damaged by mudslides, landslides, or erosion to their predamage condition and functionality. This paragraph does not exempt from this chapter any project undertaken, carried out, or approved by a state or local governmental agency to expand or widen a highway damaged by fire, flood, storm, earthquake, land subsidence, gradual earth movement, or landslide. The exception provided in this paragraph does not apply to a highway designated as an official state scenic highway pursuant to Section 262 of the Streets and Highways Code.
- (b) The entity performing the emergency work described in subdivision (a) shall notify the department of the work, in writing, within 14 days of beginning the work. Any work described in the emergency notification that does not meet the criteria for the emergency work described in subdivision (a) is a violation of this chapter if the entity did not first notify the department in accordance with Section 1602 or 1611.
- SEC. 4. Section 1613 of the Fish and Game Code is amended to read:
- 1613. If, after receiving a notification, but before the department executes a final agreement, the department informs the entity, in writing, that the activity described in the notification, or any activity or conduct by the entity directly related thereto,

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violates any provision of this code or the regulations that implement the code, the department may suspend processing the notification, and subparagraph (D) of paragraph (4) of subdivision (a) of Section 1602 and the timelines specified in Section 1603 do not apply. This section ceases to apply if any of the following occurs:

- (a) The department determines that the violation has been remedied.
- (b) Legal action to prosecute the violation is not filed within the applicable statute of limitations.
- (c) Legal action to prosecute the violation has been terminated. SEC. 5. Section 1615 of the Fish and Game Code is amended to read:
- 1615. (a) An entity that violates this chapter is subject to a civil penalty of not more than twenty-five thousand dollars (\$25,000) for each violation.
- (b) The civil penalty imposed pursuant to subdivision (a) is separate from, and in addition to, any other civil penalty imposed pursuant to this section or any other provision of the law.
- (c) In determining the amount of any civil penalty imposed pursuant to this section, the court shall take into consideration all relevant circumstances, including, but not limited to, the nature, circumstance, extent, and gravity of the violation. In making this determination, the court may consider the degree of toxicity and volume of the discharge, the extent of harm caused by the violation, whether the effects of the violation may be reversed or mitigated, and, with respect to the defendant, the ability to pay, the effect of any civil penalty on the ability to continue in business, any voluntary cleanup efforts undertaken, any prior history of violations, the gravity of the behavior, the economic benefit, if any, resulting from the violation, and any other matters the court determines that justice may require.
- (d) Every civil action brought under this section shall be brought by the Attorney General upon complaint by the department, or by the district attorney or city attorney in the name of the people of the State of California, and any actions relating to the same violation may be joined or consolidated.
- (e) (1) In any civil action brought pursuant to this chapter in which a temporary restraining order, preliminary injunction, or permanent injunction is sought, it is not necessary to allege or prove at any stage of the proceeding any of the following:

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(A) That irreparable damage will occur if the temporary restraining order, preliminary injunction, or permanent injunction is not issued.

(B) That the remedy at law is inadequate.

- (2) The court shall issue a temporary restraining order, preliminary injunction, or permanent injunction in a civil action brought pursuant to this chapter without the allegations and without the proof specified in paragraph (1).
- (f) All civil penalties collected pursuant to this section shall not be considered fines or forfeitures as defined in Section 13003, and shall be apportioned in the following manner:
- (1) Fifty percent shall be distributed to the county treasurer of the county in which the action is prosecuted. Amounts paid to the county treasurer shall be deposited in the county fish and wildlife propagation fund established pursuant to Section 13100.
- (2) Fifty percent shall be distributed to the department for deposit in the Fish and Game Preservation Fund. These funds may be expended to cover the costs of any legal actions or for any other law enforcement purpose consistent with Section 9 of Article XVI of the California Constitution.
- SEC. 6. Section 2081.2 is added to the Fish and Game Code, to read:
- 2081.2. (a) For the purposes of this section, the following terms have the following meanings:
- (1) "Permit" means any authorization issued by the department pursuant to this article to take a species listed by this chapter as candidate, threatened, or endangered.
- (2) "Permittee" includes any individual, firm, association, organization, partnership, business, trust, corporation, limited liability company, district, city, county, city and county, town, federal agency, and the state who applies for or who has received a permit pursuant to this article.
- (3) "Project" has the same meaning as defined in Section 21065 of the Public Resources Code.
- (4) "Project cost" means the total direct and indirect project expenses that include, but are not limited to, labor, equipment, permanent materials and supplies, subcontracts, permits and licenses, overhead, and miscellaneous costs.
- (5) "Voluntary habitat restoration project" means a project that meets both of the following requirements:

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(A) The project's primary purpose is voluntary habitat restoration and the project may have other environmental benefits, and the project is not required as mitigation due to a regulatory action.

- (B) The project is not part of a regulatory settlement, a regulatory enforcement action, or a court order.
- (b) (1) The department shall collect a permit application fee for processing a permit application submitted pursuant to this article at the time the permit application is submitted to the department. Notwithstanding Section 2098, upon appropriation to the department from the Endangered Species Permitting Account, the department shall use the permit application fee to pay for all or a portion of the department's cost of processing permit applications, permit development, and compliance monitoring pursuant to this article.
 - (2) This subdivision does not apply to any of the following:
- (A) Activities or costs associated with the review of projects, inspection and oversight of projects, and permits necessary to conduct timber operations, as defined in Section 4527 of the Public Resources Code, in accordance with Article 9.5 (commencing with Section 4629) of Chapter 8 of Part 2 of Division 4 of the Public Resources Code.
- (B) Permits or memoranda of understanding authorized by subdivision (a) of Section 2081.
 - (C) Permits for voluntary habitat restoration projects.
- (c) The department shall assess the permit application fee as follows, subject to subdivision (f):
- (1) For a project, regardless of estimated project cost, that is subject only to Section 2080.1, 2080.3, or 2080.4, the department shall assess either of the following amounts:
 - (A) Seven thousand five hundred dollars (\$7,500).
- (B) Six thousand dollars (\$6,000), if the project uses a department-approved conservation or mitigation bank to fulfill mitigation obligations pursuant to this article.
- (2) For a project where the estimated project cost is less than one hundred thousand dollars (\$100,000), the department shall assess either of the following amounts:
- (A) Seven thousand five hundred dollars (\$7,500).

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(B) Six thousand dollars (\$6,000), if the project uses a department-approved conservation or mitigation bank to fulfill mitigation obligations pursuant to this article.

- (3) For a project where the estimated project cost is one hundred thousand dollars (\$100,000) or more but less than five hundred thousand dollars (\$500,000), the department shall assess either of the following amounts:
 - (A) Fifteen thousand dollars (\$15,000).

- (B) Twelve thousand dollars (\$12,000), if the project uses a department-approved conservation or mitigation bank to fulfill mitigation obligations pursuant to this article.
- (4) For a project where the estimated project cost is five hundred thousand dollars (\$500,000) or more, the department shall assess either of the following amounts:
 - (A) Thirty thousand dollars (\$30,000).
- (B) Twenty-four thousand dollars (\$24,000), if the project uses a department-approved conservation or mitigation bank to fulfill mitigation obligations pursuant to this article.
- (5) The department shall collect a fee of seven thousand five hundred dollars (\$7,500) for processing permit amendments that the department has determined are minor as defined in regulation or fifteen thousand dollars (\$15,000) for processing permit amendments that the department has determined are major as defined in regulation.
- (d) (1) If the permit or amendment application fee paid pursuant to subdivision (e) is determined by the department to be insufficient to complete permitting work due to the complexity of a project or the potential effects of a project, the department shall collect an additional fee of up to ten thousand dollars (\$10,000) from the permittee to pay for its estimated costs. Upon its determination, the department shall notify the permittee of the reasons why an additional fee is necessary and the estimated amount of the additional fee.
- (2) The additional fee collected pursuant to paragraph (1) shall not exceed an amount that, when added to the fee paid pursuant to subdivision (e), equals thirty-five thousand dollars (\$35,000). The department shall collect the additional fee before a final decision on the application by the department.
- (e) (1) For an application submitted to the department pursuant to this article on or after the effective date of this section, the

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department shall collect the permit application fee at the time the permit application is submitted. The department shall not deem the application complete until it has collected the permit application fee. A permit application submitted or deemed complete prior to the effective date of this section shall not be subject to fees established pursuant to this section.

- (2) If a permit or amendment application is withdrawn within 30 days after paying the permit or amendment application fee, the department shall refund any unused portion of the fee to the permittee.
- (3) If a permit or amendment application is withdrawn after 30 days of paying the permit or amendment application fee, the department shall not refund any portion of the fee to the permittee.
- (f) (1) The department shall adjust the fees in this section pursuant to Section 713.
- (2) The Legislature finds that all revenues generated under this section and used for the purposes for which they were imposed are not subject to Article XIII B of the California Constitution.
- (3) The department, at least every five years, shall analyze application fees pursuant to Section 713 to ensure the appropriate fee amounts are charged.
- (g) Fees paid to the department pursuant to this section shall be deposited in the Endangered Species Permitting Account, which is hereby established in the Fish and Game Preservation Fund. Notwithstanding Section 2098, funds in the account shall be available to the department, upon appropriation by the Legislature, for the purposes of administering and implementing this chapter, except that fee moneys collected pursuant to this section shall only be used for the purposes of this article.
- SEC. 7. Section 2942 of the Fish and Game Code is amended to read:
- 2942. (a) (1) The secretary, in consultation and coordination with the authority, shall lead the Salton Sea restoration efforts that shall include all of the following:
 - (A) Early start habitat demonstration projects.
- (B) Biological investigations relating to the restoration of the Salton Sea.
- 38 (C) Investigations of water quality, sedimentation, and inflows relating to the restoration of the Salton Sea.

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(D) Air quality investigations, in consultation and coordination with local and regional air quality agencies, relating to the restoration of the Salton Sea.

- (E) Geotechnical investigations relating to the restoration of the Salton Sea.
- (F) Financial assistance grant programs to support restoration activities of local stakeholders.
- (2) Nothing in this article shall alter any state responsibility under the Quantification Settlement Agreement or the state's authority to carry out any responsibility under the Quantification Settlement Agreement.
- (3) (A) To the extent that funding is appropriated to the department for Salton Sea restoration activities, the Department of Water Resources, in coordination and under agreement with the department, may undertake restoration efforts identified in this subdivision.
- (B) The department and the Department of Water Resources shall do all of the following for the Salton Sea Species Conservation Habitat Project:
- (i) Immediately make available relevant information relating to the factors that influence the cost and size of the alternatives discussed in the environmental impact report or environmental impact statement for the species habitat conservation program.
- (ii) Release all available detail on a final project design immediately, or upon final determination of a least environmentally damaging preferred alternative by the United States Army Corps of Engineers. Details of a final project design shall include location, configuration, size, and cost.
- (iii) Immediately make available project evaluation protocols that include the following principles of adaptive management:
 - (I) Goals and objectives of the project.
- 32 (II) The project design and an operations plan.
- 33 (III) A monitoring plan that will include metrics that identify benefits to the species.
 - (IV) A performance evaluation based on species population identified through monitoring.
- 37 (V) A decisionmaking framework to evaluate project 38 performance and guide operations and management changes.

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(b) (1) The authority may lead a feasibility study, in coordination and under contract with the secretary, to do the following:

- (A) Investigate access and utility agreements that may contribute to the future funding of restoration activities at the Salton Sea.
- (B) Analyze all feasible funding sources for restoration program components and activities.
- (C) Analyze economic development opportunities, including, but not limited to, renewable energy, biofuels, mineral development, and algae production for the purposes of identifying new revenue sources for the Salton Sea restoration efforts.
 - (D) Identify state procurement and royalty sharing opportunities.
- (E) Review existing long-term plans for restoration of the Salton Sea and recommend to the secretary changes to existing restoration plans. In any review pursuant to this subparagraph, the authority shall consider the impacts of the restoration plan on air quality, fish and wildlife habitat, water quality, and the technical and financial feasibility of the restoration plan and shall consider the impacts on other agencies responsible for air quality, endangered species, and other environmental mitigation requirements for implementation of the Quantification Settlement Agreement.
- (2) No evaluation, study, review, or other activity pursuant to this article shall delay the planning and implementation of ongoing and planned restoration or mitigation projects, including, but not limited to, the Salton Sea Species Conservation Habitat Project or other measures pursuant to existing state and federal programs and agreements.
- (c) Notwithstanding any other law, the Department of Water Resources is authorized to use design-build procurement authority for projects constructed at the Salton Sea in accordance with Article 6 (commencing with Section 10187) of Chapter 1 of Part 2 of Division 2 of the Public Contract Code.
- SEC. 8. Section 12008.1 is added to the Fish and Game Code, to read:
- 12008.1. (a) Notwithstanding Section 12002 or 12008, the punishment for any violation of Section 2080 or 2085 is a fine of not less than twenty-five thousand dollars (\$25,000) or more than fifty thousand dollars (\$50,000) for each violation or imprisonment in the county jail for not more than one year, or by both that fine and imprisonment.

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(b) Notwithstanding any other law, the moneys collected from any fine or forfeiture imposed or collected for violating Chapter 1.5 (commencing with Section 2050) of Division 3 shall be deposited as follows:

- (1) One-half in the Endangered Species Permitting Account established pursuant to Section 2081.2.
- (2) One-half in the county treasury of the county in which the violation occurred. The board of supervisors shall first use revenues pursuant to this subdivision to reimburse the costs incurred by the district attorney or city attorney in investigating and prosecuting the violation. Any excess revenues may be expended in accordance with Section 13103.
- SEC. 9. Section 12157 of the Fish and Game Code is amended to read:
- 12157. (a) Except as provided in subdivision (b), the judge before whom any person is tried for a violation of any provision of this code, or regulation adopted pursuant thereto, may, upon the conviction of the person tried, order the forfeiture of any device or apparatus that is designed to be, or is capable of being, used to take birds, mammals, fish, reptiles, or amphibia and that was used in committing the offense charged.
- (b) The judge shall, if the offense is punishable under Section 12008 or 12008.1 of this code or under subdivision (c) of Section 597 of the Penal Code, order the forfeiture of any device or apparatus that is used in committing the offense, including, but not limited to, any vehicle that is used or intended for use in delivering, importing, or exporting any unlawfully taken, imported, or purchased species.
- (c) (1) The judge may, for conviction of a violation of any of the following offenses, order forfeiture of any device or apparatus that is used in committing the offense, including, but not limited to, any vehicle used or intended for use in committing the offense:
- (A) Section 2000 relating to deer, elk, antelope, feral pigs, European wild boars, black bears, and brown or cinnamon bears.
- (B) Any offense that involves the sale, purchase, or possession of abalone for commercial purposes.
- (C) Any offense that involves the sale, purchase, or possession of sturgeon or lobster, pursuant to Section 7370 or 8254.
 - (D) Any offense that involves a violation of Section 12012.
- (E) A violation of subdivision (b) of Section 12013.

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(2) In considering an order of forfeiture under this subdivision, the court shall take into consideration the nature, circumstances, extent, and gravity of the prohibited act committed, the degree of culpability of the violator, the property proposed for forfeiture, and other criminal or civil penalties imposed on the violator under other provisions of law for that offense. The court shall impose lesser forfeiture penalties under this subdivision for those acts that have little significant effect upon natural resources or the property of another and greater forfeiture penalties for those acts that may cause serious injury to natural resources or the property of another, as determined by the court. In determining whether or not to order forfeiture of a vehicle, the court shall, in addition to any other relevant factor, consider whether the defendant is the owner of the vehicle and whether the owner of the vehicle had knowledge of the violation.

- (3) It is the intent of the Legislature that forfeiture not be ordered pursuant to this subdivision for minor or inadvertent violations, as determined by the court.
- (d) A judge shall not order the forfeiture of a vehicle under this section if there is a community property interest in the vehicle that is owned by a person other than the defendant and the vehicle is the only vehicle available to the defendant's immediate family that may be operated on the highway with a class A, class B, or class C driver's license.
- (e) Any device or apparatus ordered forfeited shall be sold, used, or destroyed by the department.
- (f) (1) The proceeds from all sales under this section, after payment of any valid liens on the forfeited property, shall be paid into the Fish and Game Preservation Fund.
- (2) A lien in which the lienholder is a conspirator is not a valid lien for purposes of this subdivision.
- (g) The provisions in this section authorizing or requiring a judge to order the forfeiture of a device or apparatus also apply to the judge, referee, or juvenile hearing officer in a juvenile court action brought under Section 258 of the Welfare and Institutions Code.
- (h) For purposes of this section, a plea of nolo contendere or no contest, or forfeiture of bail, constitutes a conviction.
- (i) Neither the disposition of the criminal action other than by conviction nor the discretionary refusal of the judge to order

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forfeiture upon conviction impairs the right of the department to commence proceedings to order the forfeiture of fish nets or traps pursuant to Section 8630.

SEC. 10. Section 12159.5 of the Fish and Game Code is amended to read:

12159.5. The judge before whom any person is tried for a violation of a provision of this code that prohibits the taking of any endangered species, threatened species, or fully protected bird, mammal, reptile, amphibian, or fish, as specified by Sections 12008 and 12008.1, may, in the court's discretion and upon the conviction of that person, order the forfeiture of any proceeds resulting from the taking of the endangered species, threatened species, or fully protected bird, mammal, reptile, amphibian, or fish.

SEC. 11. Section 52334 of the Food and Agricultural Code is repealed.

SEC. 12. Section 52334 is added to the Food and Agricultural Code, to read:

52334. The declaration of a plant, seed, nursery stock, or crop as invasive is a power reserved for the secretary.

SEC. 13. Section 8670.48.3 of the Government Code is amended to read:

8670.48.3. (a) Notwithstanding subparagraph (A) of paragraph (1) of subdivision (f) of Section 8670.48, a loan or other transfer of money from the fund to the General Fund or a special fund pursuant to the Budget Act that reduces the balance of the Oil Spill Response Trust Fund to less than or equal to 95 percent of the designated amount specified in subdivision (a) of Section 46012 of the Revenue and Taxation Code shall not obligate the administrator to resume collection of the oil spill response fee otherwise required by this article, except that, for a General Fund loan or transfer, the administrator's obligation is suspended only if both of the following conditions are met:

- (1) The annual Budget Act requires a transfer or loan from the fund to the General Fund to be repaid to the fund with interest ealculated at a rate earned by the Pooled Money Investment Account as if the money had remained in the fund.
- (2) The annual Budget Act requires the General Fund transfers or loans to be repaid to the fund on or before June 30, 2019.

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(b) A transfer or loan described in subdivision (a) shall be repaid as soon as possible if a spill occurs and the administrator determines that response funds are needed immediately.

- (c) If there is a conflict between this section and any other law or enactment, this section shall control.
- (d) This section shall become inoperative on July 1, 2019, and, as of January 1, 2020, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2020, deletes or extends the dates on which it becomes inoperative and is repealed.
- 10 SEC. 14. Section 12812.2 of the Government Code is amended to read:
 - 12812.2. (a) One of the deputies to the Secretary for Environmental Protection shall be a deputy secretary for law enforcement and counsel, who, subject to the direction and supervision of the secretary, shall have the responsibility and authority to do all of the following:
 - (1) Develop a program to ensure that the boards, departments, offices, and other agencies that implement laws or regulations within the jurisdiction of the California Environmental Protection Agency take consistent, effective, and coordinated compliance and enforcement actions to protect public health and the environment. The program shall include training and cross-training of inspection and enforcement personnel of those boards, departments, offices, or other agencies to ensure consistent, effective, and coordinated enforcement.
 - (2) (A) In consultation with the Attorney General, establish a cross-media enforcement unit to assist a board, department, office, or other agency that implements a law or regulation within the jurisdiction of the California Environmental Protection Agency, to investigate and prepare matters for enforcement action in order to protect public health and the environment. The unit may inspect and investigate a violation of a law or regulation within the jurisdiction of the board, department, office, or other agency, including a violation involving more than one environmental medium and a violation involving the jurisdiction of more than one board, department, office, or agency. The unit shall exercise its authority consistent with the authority granted to the head of a department pursuant to Article 2 (commencing with Section 11180) of Chapter 2 of Part 1.

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(B) Each board, department, or office within the California Environmental Protection Agency shall participate and have representatives in the cross-media enforcement unit established pursuant to this section. The unit, including those representatives, shall undertake activities consistent with Section 71110 of the Public Resources Code and shall give priority to activities in disadvantaged communities identified by the California Environmental Protection Agency pursuant to Section 39711 of the Health and Safety Code.

- (3) Refer a violation of a law or regulation within the jurisdiction of a board, department, office, or other agency that implements a law or regulation within the jurisdiction of the California Environmental Protection Agency to the Attorney General, a district attorney, or city attorney for the filing of a civil or criminal action.
- (4) Exercise the authority granted pursuant to paragraph (3) only after providing notice to the board, department, office, or other agency unless the secretary determines that notice would compromise an investigation or enforcement action.
- (b) Nothing in this section shall authorize the deputy secretary for law enforcement and counsel to duplicate, overlap, compromise, or otherwise interfere with an investigation or enforcement action undertaken by a board, department, office, or other agency that implements a law or regulation subject to the jurisdiction of the California Environmental Protection Agency.
- (c) The Environmental Protection Agency shall post on its Web site, updated no later than December 1 of each year, the status of the implementation of this section.
- SEC. 15. Section 25150.7 of the Health and Safety Code is amended to read:
- 25150.7. (a) The Legislature finds and declares that this section is intended to address the unique circumstances associated with the generation and management of treated wood waste. The Legislature further declares that this section does not set a precedent applicable to the management, including disposal, of other hazardous wastes.
- (b) For purposes of this section, the following definitions shall apply:
- 39 (1) "Treated wood" means wood that has been treated with a 40 chemical preservative for purposes of protecting the wood against

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attacks from insects, microorganisms, fungi, and other environmental conditions that can lead to decay of the wood, and the chemical preservative is registered pursuant to the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. Sec. 136 et seq.).

- (2) "Wood preserving industry" means business concerns, other than retailers, that manufacture or sell treated wood products in the state.
- (e) This section applies only to treated wood waste that, solely due to the presence of a preservative in the wood, is a hazardous waste and to which both of the following requirements apply:
- (1) The treated wood waste is not subject to regulation as a hazardous waste under the federal act.
 - (2) Section 25143.1.5 does not apply to the treated wood waste.
- (d) (1) Notwithstanding Sections 25189.5 and 25201, treated wood waste shall be disposed of in either a class I hazardous waste landfill, or in a composite-lined portion of a solid waste landfill unit that meets all requirements applicable to disposal of municipal solid waste in California after October 9, 1993, and that is regulated by waste discharge requirements issued pursuant to Division 7 (commencing with Section 13000) of the Water Code for discharges of designated waste, as defined in Section 13173 of the Water Code, or treated wood waste.
- (2) A solid waste landfill that accepts treated wood waste shall comply with all of the following requirements:
 - (A) Manage the treated wood waste to prevent scavenging.
- (B) Ensure that any management of the treated wood waste at the solid waste landfill before disposal, or in lieu of disposal, complies with the applicable requirements of this chapter, except as otherwise provided by regulations adopted pursuant to subdivision (f).
- (C) If monitoring at the composite-lined portion of a landfill unit at which treated wood waste has been disposed of indicates a verified release, then treated wood waste shall not be discharged to that landfill unit until corrective action results in cessation of the release.
- (e) (1) Each wholesaler and retailer of treated wood and treated wood-like products in this state shall conspicuously post information at or near the point of display or customer selection of treated wood and treated wood-like products used for fencing,

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decking, retaining walls, landscaping, outdoor structures, and similar uses. The information shall be provided to wholesalers and retailers by the wood preserving industry in 22-point type, or larger, and contain the following message:

Warning—Potential Danger

These products are treated with wood preservatives registered with the United States Environmental Protection Agency and the California Department of Pesticide Regulation and should only be used in compliance with the product labels.

This wood may contain chemicals classified by the State of California as hazardous and should be handled and disposed of with care. Check product label for specific preservative information and Proposition 65 warnings concerning presence of chemicals known to the State of California to cause cancer or birth defects.

Anyone working with treated wood, and anyone removing old treated wood, needs to take precautions to minimize exposure to themselves, children, pets, or wildlife, including:

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Avoid contact with skin. Wear gloves and long sleeved shirts when working with treated wood. Wash exposed areas thoroughly with mild soap and water after working with treated wood.

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□ Wear a dust mask when machining any wood to reduce the inhalation of wood dusts. Avoid frequent or prolonged inhalation of sawdust from treated wood. Machining operations should be performed outdoors whenever possible to avoid indoor accumulations of airborne sawdust.

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31 ☐ Wear appropriate eye protection to reduce the potential for eye injury from wood particles and flying debris during machining.

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38 — Promptly clean up and remove all sawdust and scraps and 39 dispose of appropriately.

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□ Do not use treated wood under circumstances where the 2 preservative may become a component of food or animal feed. 3 4 □ Only use treated wood that's visibly clean and free from surface 5 residue for patios, decks, or walkways. 6 7 ☐ Do not use treated wood where it may come in direct or indirect 8 contact with public drinking water, except for uses involving 9 incidental contact such as docks and bridges. 10 □ Do not use treated wood for mulch. 11 12 □ Do not burn treated wood. Preserved wood should not be burned 13 14 in open fires, stoves, or fireplaces. 15 For further information, go to the Internet Web site 16 17

http://www.preservedwood.org and download the free Treated Wood Guide mobile application.

In addition to the above listed precautions, treated wood waste shall be managed in compliance with applicable hazardous waste control laws.

(2) On or before July 1, 2005, the wood preserving industry shall, jointly and in consultation with the department, make information available to generators of treated wood waste, including fencing, decking, and landscape contractors, solid waste landfills, and transporters, that describes how to best handle, dispose of, and otherwise manage treated wood waste, through the use either of a toll-free telephone number, Internet Web site, information labeled on the treated wood, information accompanying the sale of the treated wood, or by mailing if the department determines that mailing is feasible and other methods of communication would not be as effective. A treated wood manufacturer or supplier to a wholesaler or retailer shall also provide the information with each shipment of treated wood products to a wholesaler or retailer, and the wood preserving industry shall provide it to fencing, decking, and landscaping contractors, by mail, using the Contractors' State License Board's available listings, and license application packages. The department _59 _ SB 859

may provide guidance to the wood preserving industry, to the extent resources permit.

- (f) (1) On or before January 1, 2007, the department, in consultation with the Department of Resources Recycling and Recovery, the State Water Resources Control Board, and the Office of Environmental Health Hazard Assessment, and after consideration of any known health hazards associated with treated wood waste, shall adopt and may subsequently revise as necessary, regulations establishing management standards for treated wood waste as an alternative to the requirements specified in this chapter and the regulations adopted pursuant to this chapter.
- (2) The regulations adopted pursuant to this subdivision shall, at a minimum, ensure all of the following:
- (A) Treated wood waste is properly stored, treated, transported, tracked, disposed of, and otherwise managed to prevent, to the extent practical, releases of hazardous constituents to the environment, prevent seavenging, and prevent harmful exposure of people, including workers and children, aquatic life, and animals to hazardous chemical constituents of the treated wood waste.
- (B) Treated wood waste is not reused, with or without treatment, except for a purpose that is consistent with the approved use of the preservative with which the wood has been treated. For purposes of this subparagraph, "approved uses" means a use approved at the time the treated wood waste is reused.
- (C) Treated wood waste is managed in accordance with all applicable laws.
- (D) Any size reduction of treated wood waste is conducted in a manner that prevents the uncontrolled release of hazardous constituents to the environment, and that conforms to applicable worker health and safety requirements.
- (E) All sawdust and other particles generated during size reduction are captured and managed as treated wood waste.
- (F) All employees involved in the acceptance, storage, transport, and other management of treated wood waste are trained in the safe and legal management of treated wood waste, including, but not limited to, procedures for identifying and segregating treated wood waste.
- (g) (1) A person managing treated wood waste who is subject to a requirement of this chapter, including a regulation adopted pursuant to this chapter, shall comply with either the alternative

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standard specified in the regulations adopted pursuant to subdivision (f) or with the requirements of this chapter.

- (2) A person who is in compliance with the alternative standard specified in the regulations adopted pursuant to subdivision (f) is deemed to be in compliance with the requirement of this chapter for which the regulation is identified as being an alternative, and the department and any other entity authorized to enforce this chapter shall consider that person to be in compliance with that requirement of this chapter.
- (h) On January 1, 2005, all variances granted by the department before January 1, 2005, governing the management of treated wood waste are inoperative and have no further effect.
- (i) This section does not limit the authority or responsibility of the department to adopt regulations under any other law.
- (j) On or before July 1, 2018, the department shall prepare, post on its Internet Web site, and provide to the appropriate policy committees of the Legislature, a comprehensive report on the compliance with, and implementation of, this section. The report shall include, but not be limited to, all of the following:
- (1) Data, and evaluation of that data, on the rates of compliance with this section and injuries associated with handling treated wood waste based on department inspections of treated wood waste generator sites and treated wood waste disposal facilities. To gather data to perform the required evaluation, the department shall do all of the following:
- (A) The department shall inspect representative treated wood waste generator sites and treated wood waste disposal facilities, which shall not to be less than 25 percent of each.
- (B) The department shall survey and otherwise seek information on how households are currently handling, transporting, and disposing of treated wood waste, including available information from household hazardous waste collection facilities, solid waste transfer facilities, solid waste disposal facility load cheek programs, and CUPAs.
- (C) The department shall, by survey or otherwise, seek data to determine whether sufficient information and convenient collection and disposal options are available to household generators of treated wood waste.
- (2) An evaluation of the adequacy of protective measures taken 40 in tracking, handling, and disposing of treated wood waste.

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(3) Data regarding the unauthorized disposal of treated wood waste at disposal facilities that have not been approved for that disposal.

- (4) Conclusions regarding the handling of treated wood waste.
- (5) Recommendations for changes to the handling of treated wood waste to ensure the protection of public health and the environment.
- (k) This section shall become inoperative on December 31, 2020, and, as of January 1, 2021, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2021, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 16. Section 25150.84 of the Health and Safety Code is amended to read:

25150.84. (a) The department is authorized to collect an annual fee from all metal shredding facilities that are subject to the requirements of this chapter or to the alternative management standards adopted pursuant to Section 25150.82. The department shall establish and adopt regulations necessary to administer this fee and to establish a fee schedule that is set at a rate sufficient to reimburse the department's costs to implement this chapter as applicable to metal shredder facilities. The fee schedule established by the department may be updated periodically as necessary and shall provide for the assessment of no more than the reasonable and necessary costs of the department to implement this chapter, as applicable to metal shredder facilities.

- (b) The Controller shall establish a separate subaccount in the Hazardous Waste Control Account. The fees collected pursuant to this section shall be deposited into the subaccount and be available for expenditure by the department upon appropriation by the Legislature.
- (c) A regulation adopted pursuant to this section may be adopted as an emergency regulation in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, and for the purposes of that chapter, including Section 11349.6 of the Government Code, the adoption of these regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare. Notwithstanding Chapter 3.5 (commencing with Section 11340)

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of Part 1 of Division 3 of Title 2 of the Government Code, an 1 2 emergency regulation adopted by the department pursuant to this 3 section shall be filed with, but not be repealed by, the Office of 4 Administrative Law and shall remain in effect for a period of two 5 years or until revised by the department, whichever occurs sooner.

- (d) (1) A metal shredding facility paying an annual fee in accordance with this section shall be exempt from the following fees as the fees pertain to metal shredding activities and the generation, handling, management, transportation, and disposal of metal shredder waste:
 - (A) A fee imposed pursuant to Section 25205.7.
- (B) A disposal fee imposed pursuant to Section 25174.1.
- 13 (C) A facility fee imposed pursuant to Section 25205.2.
 - (D) A generator fee imposed pursuant to Section 25205.5.
 - (E) A transportable treatment unit fee imposed pursuant to Section 25205.14.
 - (2) A metal shredding facility is not exempt from the fees listed in paragraph (1) for any other hazardous waste the metal shredding facility generates and handles.
 - SEC. 17. Section 25189.3 of the Health and Safety Code is amended to read:
 - 25189.3. (a) For purposes of this section, the term "permit" means a hazardous waste facilities permit, interim status authorization, or standardized permit.
 - (b) The department shall suspend the permit of any facility for nonpayment of any facility fee assessed pursuant to Section 25205.2 or activity fee assessed pursuant to Section 25205.7, if the operator of the facility is subject to the fee, and if the department or State Board of Equalization has certified in writing to all of the following:
- (1) The facility's operator is delinquent in the payment of the 32 fee for one or more reporting periods.
 - (2) The department or State Board of Equalization has notified the facility's operator of the delinquency.
 - (3) (A) For a facility operator that elected to pay the flat activity fee rate pursuant subdivision (d) of Section 25205.7, as that section read on January 1, 2016, the operator has exhausted his or her administrative rights of appeal provided by Chapter 3 (commencing with Section 43151) of Part 22 of Division 2 of the Revenue and Taxation Code, and the State Board of Equalization has determined

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that the operator is liable for the fee, or that the operator has failed 2 to assert those rights. 3

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- (B) For a facility operator that pays the activity fee under a reimbursement agreement with the department pursuant to subdivision (a) of Section 25205.7, the operator has exhausted the dispute resolution procedures adopted by the department pursuant to subparagraph (H) of paragraph (2) of subdivision (b) of Section 25206.2.
- (e) (1) The department shall suspend the permit of any facility for nonpayment of a penalty assessed upon the owner or operator for failure to comply with this chapter or the regulations adopted pursuant to this chapter, if the penalty has been imposed by a trial court judge or by an administrative hearing officer, if the person has agreed to pay the penalty pursuant to a written agreement resolving a lawsuit or an administrative order, or if the penalty has become final due to the person's failure to respond to the lawsuit or order.
- (2) The department may suspend a permit pursuant to this subdivision only if the owner or operator is delinquent in the payment of the penalty and the department has notified the owner or operator of the delinquency pursuant to subdivision (d).
- (d) Before suspending a permit pursuant to this section, the department shall notify the owner or operator of its intent to do so, and shall allow the owner or operator a minimum of 30 days in which to cure the delinquency.
- (e) The department may deny a new permit or refuse to renew a permit on the same grounds for which the department is required to suspend a permit under this section, subject to the same requirements and conditions.
- (f) (1) The department shall reinstate a permit that is suspended pursuant to this section upon payment of the amount due if the permit has not otherwise been revoked or suspended pursuant to any other provision of this chapter or regulation. Until the department reinstates a permit suspended pursuant to this section, if the facility stores, treats, disposes of, or recycles hazardous wastes, the facility shall be in violation of this chapter. If the operator of the facility subsequently pays the amount due, the period of time for which the operator shall have been in violation of this chapter shall be from the date of the activity that is in

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violation until the day after the owner or operator submits the payment to the department.

- (2) Except as otherwise provided in this section, the department is not required to take any other statutory or regulatory procedures governing the suspension of the permit before suspending a permit in compliance with the procedures of this section.
- (g) (1) A suspension under this section shall be stayed while an authorized appeal of the fee or penalty is pending before a court or an administrative agency.
- (2) For purposes of this subdivision, "an authorized appeal" means any appeal allowed pursuant to an applicable regulation or statute.
- (h) The department may suspend a permit under this section based on a failure to pay the required fee or penalty that commenced before January 1, 2002, if the failure to pay has been ongoing for at least 30 days following that date.
- (i) Notwithstanding Section 43651 of the Revenue and Taxation Code, the suspension of a permit pursuant to this section, the reason for the suspension, and any documentation supporting the suspension, shall be a matter of public record.
- (j) (1) This section does not authorize the department to suspend a permit held by a government agency if the agency does not dispute the payment but nonetheless is unable to process the payment in a timely manner.
- (2) This section does not apply to a site owned or operated by a federal agency if the department has entered into an agreement with that federal agency regarding the remediation of that site.
 - (k) This section does not limit or supersede Section 25186.
- SEC. 18. Section 25205.7 of the Health and Safety Code is amended to read:
- 25205.7. (a) (1) A person who applies for, or requests, any of the following shall enter into a written agreement with the department pursuant to which that person shall reimburse the department, pursuant to Article 9.2 (commencing with Section 25206.1), for the costs incurred by the department in processing the application or responding to the request:
- 37 (A) A new hazardous waste facilities permit, including a standardized permit.
 - (B) A hazardous waste facilities permit for postclosure.

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(C) A renewal of an existing hazardous waste facilities permit, including a standardized permit or postclosure permit.

- (D) A class 2 or class 3 modification of an existing hazardous waste facilities permit or grant of interim status, including a standardized permit or grant of interim status or a postclosure permit.
 - (E) A variance.

- (F) A waste classification determination.
- (2) An agreement required pursuant to paragraph (1) shall provide for at least 25 percent of the reimbursement to be made in advance of the processing of the application or the response to the request. The 25-percent advance payment shall be based upon the department's total estimated costs of processing the application or response to the request.
- (3) An agreement entered into pursuant to this section shall, if applicable, include costs of reviewing and overseeing corrective action as set forth in subdivision (b).
- (b) An applicant pursuant to paragraph (1) of subdivision (a) and the owner and the operator of the facility shall pay the department's costs in reviewing and overseeing any corrective action program described in the application for a standardized permit pursuant to subparagraph (C) of paragraph (2) of subdivision (c) of Section 25201.6 or required pursuant to subdivision (b) of Section 25200.10, and in reviewing and overseeing any corrective action work undertaken at the facility pursuant to that corrective action program.
- (c) An applicant pursuant to paragraph (1) of subdivision (a) and the owner and the operator of the facility shall, pursuant to Section 21089 of the Public Resources Code, pay all costs incurred by the department for purposes of complying with the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code), in conjunction with an application or request for any of the activities identified in subdivision (a), including any activities associated with correction action.
- (4) Paragraph (1) does not apply to projects that are exempt from the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

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(d) Any reimbursements received pursuant to this section shall be placed in the Hazardous Waste Control Account for appropriation in accordance with Section 25174.

- (e) Subdivision (a) does not apply to any variance granted pursuant to Article 4 (commencing with Section 66263.40) of Chapter 13 of Division 4.5 of Title 22 of the California Code of Regulations.
 - (f) Subdivision (a) does not apply to any of the following:
- (1) Any variance issued to a public agency to transport wastes for purposes of operating a household hazardous waste collection facility, or to transport waste from a household hazardous waste collection facility, which receives household hazardous waste or hazardous waste from conditionally exempted small quantity generators pursuant to Article 10.8 (commencing with Section 25218).
 - (2) A permanent household hazardous waste collection facility.
- (3) Any variance issued to a public agency to conduct a collection program for agricultural wastes.
- (g) Fees imposed pursuant to this section shall be administered and collected by the department.
- (h) (1) The changes made in this section by the act that added this subdivision apply to applications and requests submitted to the department on and after April 1, 2016.
- (2) If, on and after April 1, 2016, an applicant has submitted an application and paid a fee pursuant to subdivision (d), as that subdivision read on April 1, 2016, but before the act that added this subdivision took effect, the department shall determine the difference between the amount paid by the applicant and the amount due pursuant to subdivision (a), and that applicant shall be liable for that amount.
- (3) Acknowledging a limited period of retroactive application of the elimination of the flat fee option pursuant to this subdivision, the Legislature finds and declares all of the following:
- (A) The department expends a substantial amount of time and resources in processing permit applications and modifications.
- (B) The former flat fee option paid by applicants was most often insufficient to cover actual costs to the department in reviewing and processing the applications and modifications.

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(C) The applicant, being the primary beneficiary of the permit process, in fairness should pay the actual costs of the department in reviewing permit applications and modifications.

- (D) The amendment to this section during the 2015–16 Regular Session eliminating the flat fee option and requiring applicants to enter into a written reimbursement agreement with the department is intended to apply to applications and modification requests filed on or after April 1, 2016, in order to remedy this financial inequity and to avoid an influx of the submission of applications to the department before amendment to this section goes into effect.
- SEC. 19. Section 25205.18 of the Health and Safety Code is amended to read:
- 25205.18. (a) If a facility has a permit or an interim status document which sets forth the facility's allowable capacity for treatment or storage, the facility's size for purposes of the annual facility fee pursuant to Section 25205.2 shall be based upon that capacity, except as provided in subdivision (d).
- (b) If a facility's allowable capacity changes or is initially established as a result of a permit modification, or a submission of a certification pursuant to subdivision (d), the fee that is due for the reporting period in which the change occurs shall be the higher fee.
- (c) The department may require the facility to submit an application to modify its permit to provide for an allowable capacity.
- (d) A facility may reduce its allowable capacity below the amounts specified in subdivision (a) or (c) by submitting a certification signed by the owner or operator in which the owner or operator pledges that the facility will not handle hazardous waste at a capacity above the amount specified in the certification. In that case, the facility's size for purposes of the annual facility fee pursuant to Section 25205.2 shall be based upon the capacity specified in the certification, until the certification is withdrawn. Exceeding the capacity limits specified in a certification that has not been withdrawn shall be a violation of the hazardous waste control law and may subject a facility or its operator to a penalty and corrective action as provided in this chapter.
- (e) This section shall have no bearing on the imposition of the annual postelosure facility fee.

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SEC. 20. Section 25205.19 of the Health and Safety Code is amended to read:

25205.19. (a) If a facility has a permit or an interim status document which sets forth the facility's type, pursuant to Section 25205.1, as either treatment, storage, or disposal, the facility's type for purposes of the annual facility fee pursuant to Section 25205.2 shall be rebuttably presumed to be what is set forth in that permit or document.

- (b) If the facility's type changes as a result of a permit or interim status modification, any change in the annual facility fee shall be effective the reporting period following the one in which the modification becomes effective.
- (c) If the facility's permit or interim status document does not set forth its type, the department may require the facility to submit an application to modify the permit or interim status document to provide for a facility type.
- (d) A permit or interim status document may set forth more than one facility type or size. In accordance with subdivision (d) of Section 25205.4, the facility shall be subject only to the highest applicable fee.
- SEC. 21. Section 25247 of the Health and Safety Code is amended to read:
- 25247. (a) The department shall review each plan submitted pursuant to Section 25246 and shall approve the plan if it finds that the plan complies with the regulations adopted by the department and complies with all other applicable state and federal regulations.
- (b) The department shall not approve the plan until at least one of the following occurs:
- (1) The plan has been approved pursuant to Section 13227 of the Water Code.
- (2) Sixty days expire after the owner or operator of an interim status facility submits the plan to the department. If the department denies approval of a plan for an interim status facility, this 60-day period shall not begin until the owner or operator resubmits the plan to the department.
- (3) The director finds that immediate approval of the plan is necessary to protect public health, safety, or the environment.
- 39 (c) Any action taken by the department pursuant to this section 40 is subject to Section 25204.5.

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(d) (1) To the extent consistent with the federal act, the department shall impose the requirements of a hazardous waste facility postclosure plan on the owner or operator of a facility through the issuance of an enforcement order, entering into an enforceable agreement, or issuing a postclosure permit.

- (A) A hazardous waste facility postclosure plan imposed or modified pursuant to an enforcement order, a permit, or an enforceable agreement shall be approved in compliance with the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).
- (B) Before the department initially approves or significantly modifies a hazardous waste facility postelosure plan pursuant to this subdivision, the department shall provide a meaningful opportunity for public involvement, which, at a minimum, shall include public notice and an opportunity for public comment on the proposed action.
- (C) For the purposes of subparagraph (B), a "significant modification" is a modification that the department determines would constitute a class 3 permit modification if the change were being proposed to a hazardous waste facilities permit. In determining whether the proposed modification would constitute a class 3 modification, the department shall consider the similarity of the modification to class 3 modifications codified in Appendix I of Chapter 20 (commencing with Section 66270.1) of Division 4.5 of Title 22 of the California Code of Regulations. In determining whether the proposed modification would constitute a class 3 modification, the department shall also consider whether there is significant public concern about the proposed modification, and whether the proposed change is so substantial or complex in nature that the modification requires the more extensive procedures of a class 3 permit modification.
- (2) This subdivision does not limit or delay the authority of the department to order any action necessary at a facility to protect public health or safety.
- (3) If the department imposes a hazardous waste facility postclosure plan in the form of an enforcement order or enforceable agreement, in lieu of issuing or renewing a postclosure permit, the owner or operator who submits the plan for approval shall, at the time the plan is submitted, enter into a cost reimbursement agreement pursuant to Section 25205.7 and upon commencement

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of the postclosure period shall pay the fee required by paragraph (9) of subdivision (c) of Section 25205.4. For purposes of this paragraph and paragraph (9) of subdivision (c) of Section 25205.4, the commencement of the postclosure period shall be the effective date of the postclosure permit, enforcement order, or enforceable agreement.

- (4) In addition to any other remedy available under state law to enforce a postclosure plan imposed in the form of an enforcement order or enforcement agreement, the department may take any of the following actions:
- (A) File an action to enjoin a threatened or continuing violation of a requirement of the enforcement order or agreement.
- (B) Require compliance with requirements for corrective action or other emergency response measures that the department deems necessary to protect human health and the environment.
- (C) Assess or file an action to recover civil penalties and fines for a violation of a requirement of an enforcement order or agreement.
- (e) Subdivision (d) does not apply to a postclosure plan for which a final or draft permit has been issued by the department on or before December 31, 2003, unless the department and the facility mutually agree to replace the permit with an enforcement order or enforceable agreement pursuant to the provisions of subdivision (d).
- (f) (1) Except as provided in paragraphs (2) and (3), the department may only impose postelosure plan requirements through an enforcement order or an enforceable agreement pursuant to subdivision (d) until January 1, 2009.
- (2) This subdivision does not apply to an enforcement order or enforceable agreement issued before January 1, 2009, or an order or agreement for which a public notice is issued on or before January 1, 2009.
- (3) This subdivision does not apply to the modification on or after January 1, 2009, of an enforcement order or enforceable agreement that meets the conditions in paragraph (2).
- (g) If the department determines that a postclosure permit is necessary to enforce a postclosure plan, the department may, at any time, rescind and replace an enforcement order or an enforceable agreement issued pursuant to this section by issuing a postclosure permit for the hazardous waste facility, in accordance

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with the procedures specified in the department's regulations for the issuance of postclosure permits.

- (h) Nothing in this section may be construed to limit or delay the authority of the department to order any action necessary at a facility to protect public health or safety, or the environment.
- SEC. 22. Section 25253.5 is added to the Health and Safety Code, to read:
- 25253.5. The department shall revise its 2015–17 Priority Product Work Plan to include lead acid batteries for consideration and evaluation as a potential priority product.
- SEC. 23. Section 43011.3 is added to the Health and Safety Code, to read:
- 43011.3. The state board may enter into agreements with private entities and receive, on behalf of the state, contributions from private sources in the form of equipment or money in order to expedite the processing of applications, resolutions, and executive orders pertaining to subdivisions (h) and (i) of Section 27156 of the Vehicle Code. All moneys received pursuant to this section shall be separately accounted for and deposited in the Air Pollution Control Fund and shall be available, upon appropriation, to the state board for purposes of this section.
- SEC. 24. Section 100829 of the Health and Safety Code is amended to read:
- 100829. The State Water Resources Control Board may do all of the following related to accrediting environmental laboratories in the state:
- (a) Offer both state accreditation and NELAP accreditation, which shall be considered equivalent for regulatory activities covered by this article.
- (b) Adopt regulations to establish the accreditation procedures for both types of accreditation.
 - (c) Retain exclusive authority to grant NELAP accreditation.
- (d) Accept certificates of accreditation from laboratories that have been accredited by other NELAP-recognized accrediting authorities.
- (e) Adopt regulations to establish procedures for recognizing the accreditation of laboratories located outside California for activities regulated under this article.
- (f) (1) Adopt a schedule of fees to recover costs incurred for the accreditation of environmental laboratories. Consistent with

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Section 3 of Article XIII A of the California Constitution, the board 2 shall set the fees under this section in an amount sufficient to 3 recover all reasonable regulatory costs incurred for the purposes 4 of this article.

- (2) The board shall set the amount of total revenue collected each year through the fee schedule at an amount equal to the amount appropriated by the Legislature in the annual Budget Act from the Environmental Laboratory Improvement Fund for expenditure for the administration of this article, taking into account the reserves in the Environmental Laboratory Improvement Fund. The board shall review and revise the fees each fiscal year as necessary to conform with the amounts appropriated by the Legislature. If the board determines that the revenue collected during the preceding year was greater than, or less than, the amounts appropriated by the Legislature, the board may further adjust the fees to compensate for the over or under collection of revenue.
- (3) The board shall adopt the schedule of fees by emergency regulation. The emergency regulations may include provisions concerning the administration and collection of the fees. Any emergency regulations adopted pursuant to this section, any amendment to those regulations, or subsequent adjustments to the annual fees, shall be adopted by the board in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The adoption of these regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare. Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, any emergency regulations adopted by the board, or adjustments to the annual fees made by the board pursuant to this section, are not subject to review by the Office of Administrative Law and remain in effect until revised by the board.
- (4) Fees shall be set for the two types of accreditation provided for in subdivision (a), including application fees.
- (5) Programs operated under this article shall be fully fee-supported.
- SEC. 25. Section 100860.1 of the Health and Safety Code is amended to read:

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100860.1. (a) At the time of application for ELAP certification and annually thereafter, from the date of the issuance of the certificate, a laboratory shall pay an ELAP certification fee, according to the fee schedule established by the State Water Resources Control Board pursuant to Section 100829.

- (b) State and local government-owned laboratories in California performing work only in a reference capacity as a reference laboratory are exempt from the payment of the fees prescribed pursuant to Section 100829.
- (c) In addition to the payment of fees authorized by Section 100829, laboratories certified or applying for certification shall pay directly to the designated proficiency testing provider the cost of the proficiency testing study.
- (d) For the purpose of this section, a reference laboratory is a laboratory owned and operated by a governmental regulatory agency for the principal purpose of analyzing samples referred by another governmental regulatory agency or another laboratory for confirmatory analysis.
- SEC. 26. Section 100862 of the Health and Safety Code is amended to read:
- 100862. (a) At the time of application for NELAP accreditation and annually thereafter, from the date of the issuance of the accreditation, a laboratory shall pay a NELAP accreditation fee, according to the fee schedule established by the State Water Resources Control Board pursuant to Section 100829.
- (b) In addition to the payment of fees authorized by Section 100829, laboratories accredited or applying for accreditation shall pay directly to the designated proficiency testing provider the cost of the proficiency testing studies.
- SEC. 27. Section 105206 of the Health and Safety Code is amended to read:
- 105206. (a) A laboratory that performs cholinesterase testing on human blood drawn in California for an employer to enable the employer to satisfy his or her responsibilities for medical supervision of his or her employees who regularly handle pesticides pursuant to Section 6728 of Title 3 of the California Code of Regulations or to respond to alleged exposure to cholinesterase inhibitors or known exposure to cholinesterase inhibitors that resulted in illness shall report the information specified in subdivision (b) to the Department of Pesticide Regulation. Reports

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1 shall be submitted to the Department of Pesticide Regulation on,

- 2 at a minimum, a monthly basis. For the purpose of meeting the
- 3 requirements in subdivision (d), the reports shall be submitted via
- 4 electronic media and formatted in a manner approved by the
- 5 director. The Department of Pesticide Regulation shall share
- 6 information from cholinesterase reports with the Office of
- 7 Environmental Health Hazard Assessment (OEHHA) and the State
- 8 Department of Public Health on an ongoing basis, in an electronic
- 9 format, for the purpose of meeting the requirements of subdivisions 10 (e) and (f).
 - (b) The testing laboratory shall report all of the following information in its possession in complying with subdivision (a):
 - (1) The test results in International Units per milliliter of sample (IU/mL).
 - (2) The purpose of the test, including baseline or other periodic testing, pursuant to the requirements of Section 6728 of Title 3 of the California Code of Regulations, or evaluation of suspected pesticide illness.
 - (3) The name of the person tested.
 - (4) The date of birth of the person tested.
 - (5) The name, address, and telephone number of the health care provider or medical supervisor who ordered the analysis.
 - (6) The name, address, and telephone number of the analyzing laboratory.
 - (7) The accession number of the specimen.
 - (8) The date that the sample was collected from the patient and the date the result was reported.
 - (9) Contact information for the person tested and his or her employer, if known and readily available.
 - (c) The medical supervisor ordering the test for a person pursuant to subdivision (a) shall note in the test order the purpose of the test, pursuant to paragraph (2) of subdivision (b), and ensure that the person tested receives a copy of the cholinesterase test results and any recommendations from the medical supervisor within 14 days of the medical supervisor receiving the results.
 - (d) All information reported pursuant to this section shall be confidential, as provided in Section 100330, except that the OEHHA, the Department of Pesticide Regulation, and the State Department of Public Health may share the information for the purpose of surveillance, case management, investigation,

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environmental remediation, or abatement with the appropriate county agricultural commissioner and local health officer.

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- (e) The OEHHA shall review the cholinesterase test results and may provide an appropriate medical or toxicological consultation to the medical supervisor. In addition to the duties performed pursuant to Section 105210, the OEHHA, in consultation with the Department of Pesticide Regulation and the local health officer, may provide medical and toxicological consultation, as appropriate, to the county agricultural commissioner to address medical issues related to the investigation of cholinesterase inhibitor-related illness.
- (f) By December 31, 2015, the Department of Pesticide Regulation and the OEHHA, in consultation with the State Department of Public Health, shall prepare a report on the effectiveness of the medical supervision program and the utility of laboratory-based reporting of cholinesterase testing for illness surveillance and prevention. The joint report may include recommendations to the Legislature that the Department of Pesticide Regulation and the OEHHA deem necessary. The Department of Pesticide Regulation and the OEHHA shall make the report publicly available on their Internet Web sites.
- (g) This section shall remain in effect only until January 1, 2019, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2019, deletes or extends that date.
- SEC. 28. Section 116590 of the Health and Safety Code, as added by Section 26 of Chapter 24 of the Statutes of 2015, is amended to read:
- 116590. (a) Funds received by the state board pursuant to this chapter shall be deposited into the Safe Drinking Water Account, which is hereby established, and shall be available for use by the state board, upon appropriation by the Legislature, for the purpose of providing funds necessary to administer this chapter. Funds in the Safe Drinking Water Account shall not be expended for any purpose other than as set forth in this chapter.
- (b) A public water system may collect a fee from its customers to recover the fees paid by the public water system pursuant to this chapter.
- (c) The total amount of funds received for state operations program costs to administer this chapter for fiscal year 2016–17 shall not exceed thirty-eight million nine hundred seven thousand

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dollars (\$38,907,000) and the total amount of funds received for administering this chapter for each fiscal year thereafter shall not increase by more than 5 percent of the amount received in the previous fiscal year plus any changes to salary, benefit, and retirement adjustments contained in each annual Budget Act.

- (d) This section shall become operative on July 1, 2016.
- SEC. 29. Section 116681 of the Health and Safety Code is amended to read:
- 116681. The following definitions shall apply to this section and Sections 116682 and 116684:
- (a) "Adequate supply" means sufficient water to meet residents' health and safety needs.
- (b) "Affected residence" means a residence reliant on a water supply that is either inadequate or unsafe.
- (c) "Consistently fails" means a failure to provide an adequate supply of safe drinking water.
- (d) "Consolidated water system" means the public water system resulting from the consolidation of a public water system with another public water system, state small water system, or affected residences not served by a public water system.
- (e) "Consolidation" means joining two or more public water systems, state small water systems, or affected residences not served by a public water system, into a single public water system.
- (f) "Disadvantaged community" means a disadvantaged community, as defined in Section 79505.5 of the Water Code, that is in an unincorporated area or is served by either a mutual water company or a small public water system.
- (g) "Extension of service" means the provision of service through any physical or operational infrastructure arrangement other than consolidation.
- (h) "Receiving water system" means the public water system that provides service to a subsumed water system through consolidation or extension of service.
- (i) "Safe drinking water" means water that meets all primary and secondary drinking water standards.
- (j) "Small public water system" has the same meaning as provided in subdivision (b) of Section 116395.
- 38 (k) "Subsumed water system" means the public water system, 39 state small water system, or affected residences not served by a

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public water system consolidated into or receiving service from the receiving water system.

- SEC. 30. Section 10187.5 of the Public Contract Code is amended to read:
- 10187.5. For purposes of this article, the following definitions and the definitions in subdivision (a) of Section 13332.19 of the Government Code shall apply:
- (a) "Best value" means a value determined by evaluation of objective criteria that relate to price, features, functions, life-cycle costs, experience, and past performance. A best value determination may involve the selection of the lowest cost proposal meeting the interests of the department and meeting the objectives of the project, selection of the best proposal for a stipulated sum established by the procuring agency, or a tradeoff between price and other specified factors.
- (b) "Construction subcontract" means each subcontract awarded by the design-build entity to a subcontractor that will perform work or labor or render service to the design-build entity in or about the construction of the work or improvement, or a subcontractor licensed by the State of California that, under subcontract to the design-build entity, specially fabricates and installs a portion of the work or improvement according to detailed drawings contained in the plans and specifications produced by the design-build team.
- (c) (1) "Department" means the Department of General Services and the Department of Corrections and Rehabilitation.
- (2) For the purposes of projects at the Salton Sea, "department" means the Department of Water Resources.
- (d) "Design-build" means a project delivery process in which both the design and construction of a project are procured from a single entity.
- (e) "Design-build entity" means a corporation, limited liability company, partnership, joint venture, or other legal entity that is able to provide appropriately licensed contracting, architectural, and engineering services as needed pursuant to a design-build contract.
- (f) "Design-build team" means the design-build entity itself and the individuals and other entities identified by the design-build entity as members of its team. Members shall include the general contractor and, if utilized in the design of the project, all electrical, mechanical, and plumbing contractors.

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(g) (1) "Director" means, with respect to procurements undertaken by the Department of General Services, the Director of General Services or, with respect to procurements undertaken by the Department of Corrections and Rehabilitation, the secretary of that department.

- (2) For purposes of projects at the Salton Sea, "director" means the Director of Water Resources.
- SEC. 31. Section 10190 of the Public Contract Code is amended to read:
- 10190. (a) The director shall notify the State Public Works Board regarding the method to be used for selecting the design-build entity, prior to advertising the design-build project.
- (b) Notwithstanding subdivision (a), for purposes of projects at the Salton Sea, the Director of Water Resources shall notify the California Water Commission regarding the method to be used for selecting the design-build entry, prior to advertising the design-build project.
- SEC. 32. Section 4629.6 of the Public Resources Code is amended to read:
- 4629.6. Moneys deposited in the fund shall, upon appropriation by the Legislature, only be expended for the following purposes:
- (a) To reimburse the State Board of Equalization for its administrative costs associated with the administration, collection, audit, and issuance of refunds related to the lumber products and engineered wood assessment established pursuant to Section 4629.5.
- (b) To pay refunds issued pursuant to Part 30 (commencing with Section 55001) of Division 2 of the Revenue and Taxation Code.
- (e) To support the activities and costs of the department, the Department of Conservation, the Department of Fish and Wildlife, the State Water Resources Control Board, and regional water quality control boards associated with the review of projects or permits necessary to conduct timber operations. On or after July 1, 2013, except for fees applicable for fire prevention or protection within state responsibility area classified lands or timber yield assessments, no currently authorized or required fees shall be charged by the agencies listed in this subdivision for activities or costs associated with the review of a project, inspection and

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oversight of projects, and permits necessary to conduct timber operations of those departments and boards.

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- (d) For transfer to the department's Forest Improvement Program for forest resources improvement grants and projects administered by the department pursuant to Chapter 1 (commencing with Section 4790) and Chapter 2 (commencing with Section 4799.06) of Part 2.5.
- (e) To fund existing restoration grant programs, with priority given to the Fisheries Restoration Grant Program administered by the Department of Fish and Wildlife and grant programs administered by state conservancies.
- (f) (1) As a loan to the Department of Fish and Wildlife for activities to address environmental damage occurring on forest lands resulting from marijuana cultivation. Not more than five hundred thousand dollars (\$500,000) may be loaned from the fund in a fiscal year pursuant to this paragraph. This paragraph shall become inoperative on July 1, 2017.
- (2) Any funds deposited into the fund pursuant to subdivision (d) or (f) of Section 12025 or subdivision (b), (c), (e), or (f) of Section 12025.1 of the Fish and Game Code shall be credited toward loan repayment.
- (3) Moneys from the General Fund shall not be used to repay a loan authorized pursuant to this subdivision.
- (g) To the department for fuel treatment grants and projects pursuant to authorities under the Wildland Fire Protection and Resources Management Act of 1978 (Article 1 (commencing with Section 4461) of Chapter 7).
- (h) To the department to provide grants to local agencies responsible for fire protection, qualified nonprofits, recognized tribes, local and state governments, and resources conservation districts, undertaken on a state responsibility area (SRA) or on wildlands not in an SRA that pose a threat to the SRA, to reduce the costs of wildland fire suppression, reduce greenhouse gas emissions, promote adaptation of forested landscapes to changing elimate, improve forest health, and protect homes and communities.
- (i) To the Natural Resources Agency to provide a reasonable per diem for attendance at a meeting of the advisory body for the state's forest practice program by a member of the body who is not an employee of a government agency.

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SEC. 33. Section 4629.8 of the Public Resources Code is amended to read:

- 4629.8. (a) Funds deposited in the fund shall be appropriated in accordance with the following priorities:
- (1) First priority shall be for funding associated with the administration and delivery of responsibilities identified in subdivisions (a) to (c), inclusive, of Section 4629.6.
- (2) Only after paragraph (1) is funded, the second priority shall be, if deposits are sufficient in future years to maintain the fund, by 2016, at a minimum reserve of four million dollars (\$4,000,000), for use and appropriation by the Legislature in years during which revenues to the account are projected to fall short of the ongoing budget allocations for support of the activities identified in paragraph (1).
- (3) Only after paragraphs (1) and (2) are funded, the third priority shall be in support of activities designated in subdivisions (d) to (f), inclusive, of Section 4629.6.
- (4) Only after paragraphs (1) to (3), inclusive, are funded, the fourth priority shall be to support the activities designated in subdivisions (g) to (i), inclusive, of Section 4629.6.
- (b) Funds shall not be used to pay for or reimburse any requirements, including mitigation of a project proponent or applicant, as a condition of any permit.
- SEC. 34. Section 21191 of the Public Resources Code is amended to read:
- 21191. (a) The California Environmental License Plate Fund, which supersedes the California Environmental Protection Program Fund, is continued in existence in the State Treasury, and consists of the moneys deposited in the fund pursuant to any provision of law. The Legislature shall establish the amount of fees for environmental license plates, which shall be not less than forty-eight dollars (\$48) for the issuance or thirty-eight dollars (\$38) for the renewal of an environmental license plate.
- (b) The Controller shall transfer from the California Environmental License Plate Fund to the Motor Vehicle Account in the State Transportation Fund the amount appropriated by the Legislature for the reimbursement of costs incurred by the Department of Motor Vehicles in performing its duties pursuant to Sections 5004, 5004.5, and 5022 and Article 8.5 (commencing with Section 5100) of Chapter 1 of Division 3 of the Vehicle Code.

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The reimbursement from the California Environmental License 2 Plate Fund shall only include those additional costs which are 3 directly attributable to any additional duties or special handling 4 necessary for the issuance, renewal, or retention of the 5 environmental license plates.

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- (e) The Controller shall transfer to the post fund of the Veterans' Home of California, established pursuant to Section 1047 of the Military and Veterans Code, all revenue derived from the issuance of prisoner of war special license plates pursuant to Section 5101.5 of the Vehicle Code less the administrative costs of the Department of Motor Vehicles in that regard.
- (d) The Director of Motor Vehicles shall certify the amounts of the administrative costs of the Department of Motor Vehicles in subdivision (c) to the Controller.
- (e) The balance of the moneys in the California Environmental License Plate Fund shall be available for expenditure only for the exclusive trust purposes specified in Section 21190, upon appropriation by the Legislature. However, all moneys derived from the issuance of commemorative 1984 Olympic reflectorized license plates in the California Environmental License Plate Fund shall be used only for capital outlay purposes.
- (f) All proposed appropriations for the program shall be summarized in a section in the Governor's Budget for each fiscal year and shall bear the caption "California Environmental Protection Program." The section shall contain a separate description of each project for which an appropriation is made. All of these appropriations shall be made to the department performing the project and accounted for separately.
- (g) The budget the Governor presents to the Legislature pursuant to subdivision (a) of Section 12 of Article IV of the California Constitution shall include, as proposed appropriations for the California Environmental Protection Program, only projects and programs recommended for funding by the Secretary of the Natural Resources Agency pursuant to subdivision (a) of Section 21193. The Secretary of the Natural Resources Agency shall consult with the Secretary for Environmental Protection before making any recommendations to fund projects pursuant to subdivision (a) of Section 21190.

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(h) This section shall remain in effect only until January 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2017, deletes or extends that date.

SEC. 35. Section 21191 is added to the Public Resources Code, to read:

- 21191. (a) The California Environmental License Plate Fund is hereby created in the State Treasury, and consists of the moneys deposited in the fund pursuant to any law. The annual fee for environmental license plates is forty-eight dollars (\$48) for the issuance or forty-three dollars (\$43) for the renewal of the plates.
- (b) The Controller shall transfer from the California Environmental License Plate Fund to the Motor Vehicle Account in the State Transportation Fund the amount appropriated by the Legislature for the reimbursement of costs incurred by the Department of Motor Vehicles in performing its duties pursuant to Sections 5004, 5004.5, and 5022 and Article 8.5 (commencing with Section 5100) of Chapter 1 of Division 3 of the Vehicle Code. The reimbursement from the California Environmental License Plate Fund shall only include those additional costs that are directly attributable to any additional duties or special handling necessary for the issuance, renewal, or retention of the environmental license plates.
- (c) The Controller shall transfer to the post fund of the Veterans' Home of California, established pursuant to Section 1047 of the Military and Veterans Code, all revenue derived from the issuance of prisoner of war special license plates pursuant to Section 5101.5 of the Vehicle Code less the administrative costs of the Department of Motor Vehicles incurred in issuing and renewing those plates.
- (d) The Director of Motor Vehicles shall certify the amounts of the administrative costs of the Department of Motor Vehicles in subdivision (c) to the Controller.
- (e) The balance of the moneys in the California Environmental License Plate Fund shall be available for expenditure only for the exclusive trust purposes specified in Section 21190, upon appropriation by the Legislature. However, all moneys derived from the issuance of commemorative 1984 Olympic reflectorized license plates in the California Environmental License Plate Fund shall be used only for capital outlay purposes.
- 39 (f) All proposed appropriations for the California Environmental
 40 Protection Program shall be summarized in a section in the

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Governor's Budget for each fiscal year and shall bear the caption "California Environmental Protection Program." The section shall contain a separate description of each project for which an appropriation is made. Each of these appropriations shall be made to the department performing the project and accounted for separately.

- (g) The budget the Governor presents to the Legislature pursuant to subdivision (a) of Section 12 of Article IV of the California Constitution shall include, as proposed appropriations for the California Environmental Protection Program, only projects and programs recommended for funding by the Secretary of the Natural Resources Agency pursuant to subdivision (a) of Section 21193. The Secretary of the Natural Resources Agency shall consult with the Secretary for Environmental Protection before making any recommendations to fund projects pursuant to subdivision (a) of Section 21190.
- (h) This section shall become operative on January 1, 2017, shall become inoperative on July 1, 2017, and as of January 1, 2018, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2018, deletes or extends the dates on which it becomes inoperative and is repealed.
- SEC. 36. Section 21191 is added to the Public Resources Code, to read:
- 21191. (a) The California Environmental License Plate Fund is hereby created in the State Treasury, and consists of the moneys deposited in the fund pursuant to any law. The annual fee for environmental license plates is fifty-three dollars (\$53) for the issuance or forty-three dollars (\$43) for the renewal of the plates.
- (b) The Controller shall transfer from the California Environmental License Plate Fund to the Motor Vehicle Account in the State Transportation Fund the amount appropriated by the Legislature for the reimbursement of costs incurred by the Department of Motor Vehicles in performing its duties pursuant to Sections 5004, 5004.5, and 5022 and Article 8.5 (commencing with Section 5100) of Chapter 1 of Division 3 of the Vehicle Code. The reimbursement from the California Environmental License
- Plate Fund shall only include those additional costs that are directly
 attributable to any additional duties or special handling necessary
- 39 for the issuance, renewal, or retention of the environmental license
- 40 plates.

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(c) The Controller shall transfer to the post fund of the Veterans' Home of California, established pursuant to Section 1047 of the Military and Veterans Code, all revenue derived from the issuance of prisoner of war special license plates pursuant to Section 5101.5 of the Vehicle Code less the administrative costs of the Department of Motor Vehicles incurred in issuing and renewing those plates.

- (d) The Director of Motor Vehicles shall certify the amounts of the administrative costs of the Department of Motor Vehicles in subdivision (e) to the Controller.
- (e) The balance of the moneys in the California Environmental License Plate Fund shall be available for expenditure only for the exclusive trust purposes specified in Section 21190, upon appropriation by the Legislature. However, all moneys derived from the issuance of commemorative 1984 Olympic reflectorized license plates in the California Environmental License Plate Fund shall be used only for capital outlay purposes.
- (f) All proposed appropriations for the California Environmental Protection Program shall be summarized in a section in the Governor's Budget for each fiscal year and shall bear the caption "California Environmental Protection Program." The section shall contain a separate description of each project for which an appropriation is made. Each of these appropriations shall be made to the department performing the project and accounted for separately.
- (g) The budget the Governor presents to the Legislature pursuant to subdivision (a) of Section 12 of Article IV of the California Constitution shall include, as proposed appropriations for the California Environmental Protection Program, only projects and programs recommended for funding by the Secretary of the Natural Resources Agency pursuant to subdivision (a) of Section 21193. The Secretary of the Natural Resources Agency shall consult with the Secretary for Environmental Protection before making any recommendations to fund projects pursuant to subdivision (a) of Section 21190.
 - (h) This section shall become operative on July 1, 2017.
- SEC. 37. The heading of Chapter 6.5 (commencing with Section 25550) of Division 15 of the Public Resources Code is repealed.
- 39 SEC. 38. Chapter 6.5 (commencing with Section 25550) is 40 added to Division 15 of the Public Resources Code, to read:

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CHAPTER 6.5. NATURAL GAS RATING AND TRACKING 1 2 3 Article 1. Definitions 4 5 25550. For purposes of this chapter, the following definitions 6 apply: 7 (a) "Buyer of natural gas" means a gas corporation, local 8 publicly owned gas utility, noncore gas customer, or core transport 9 agent. 10 (b) "Core transport agent" has the same meaning as set forth in subdivision (b) of Section 980 of the Public Utilities Code. 11 12 (e) "Division" means the Division of Oil, Gas, and Geothermal 13 Resources. (d) "Gas corporation" has the same meaning as set forth in 14 15 Section 222 of the Public Utilities Code. 16 (e) "Natural gas infrastructure" means a natural gas facility used 17 for the production, gathering and boosting, processing, 18 transmission, storage, or distribution necessary for the delivery of 19 natural gas to end-use customers in California. (f) "Noncore gas customer" means an entity that procures 20 21 directly from natural gas producers or natural gas marketers and 22 is not a gas corporation or local publicly owned gas utility. 23 (g) "Procure" means to acquire through ownership or contract. 24 (h) "Tracking" means using a system that communicates the 25 pathway of a given volume of natural gas from its initial production 26 to its delivery to end-use customers in this state. 27 28 Article 2. Natural Gas Tracking System 29 30 25555. (a) Not later than September 15, 2017, the commission 31 shall report to the respective budget committees of each house of 32 the Legislature on the resources needed to develop a plan for 33 tracking natural gas, and a recommendation for developing the 34

plan, considering cost-effectiveness and efficacy. This report shall include the resources needed to do all of the following:

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(1) Collect data from natural gas participants to support the work described in subdivision (c). The commission shall consult with the State Air Resources Board to determine the most appropriate data to collect.

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(2) Consider participation in, or formation of, interstate and federal working groups, compacts, or agreements.

- (3) Establish methods to ensure natural gas tracking data reporting compliance by buyers of natural gas, and natural gas producers, marketers, storers, and transporters.
- (4) Provide data collected pursuant to paragraph (1) to the State Air Resources Board to support the implementation of Section 39731 of the Health and Safety Code.
- (b) In the consideration of the report pursuant to subdivision (a), the commission consult with, and receive information from, stakeholders, including, but not limited to, the Public Utilities Commission, the United States Environmental Protection Agency, the United States Department of Energy, the State Air Resources Board, the division, the Federal Energy Regulatory Commission, the United States Department of Transportation Office of Pipeline Safety, appropriate agencies in states where gas consumed in California is produced, gathered and boosted, processed, transmitted, stored, or distributed, representatives of the oil and gas industry, and independent experts from academia and nongovernmental organizations.
- (e) The State Air Resources Board, in consultation with the commission, shall develop a model of fugitive and vented emissions of methane from natural gas infrastructure. The model shall do all of the following:
 - (1) Quantify emissions from specific natural gas infrastructure.
- (2) Incorporate the current condition and current management practices of specific natural gas infrastructure.
- (3) Incorporate natural gas industry best management practices established by the Public Utilities Commission pursuant to section 975 of the Public Utilities Code for gas corporations, by the United States Environmental Protection Agency, by the division, and by other relevant entities.
- SEC. 39. Section 43053 of the Revenue and Taxation Code is amended to read:
- 43053. The fees imposed pursuant to Sections 25205.2,
 25205.5, and 25205.14 of the Health and Safety Code shall be administered and collected by the board in accordance with this part.
- 39 SEC. 40. Section 43152.10 of the Revenue and Taxation Code 40 is amended to read:

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43152.10. The fees collected and administered under Sections 43053 and 43054 are due and payable within 30 days after the date of assessment and the feepayer shall deliver a remittance of the amount of the assessed fee to the office of the board within that 30-day period.

- SEC. 41. Section 5106 of the Vehicle Code is amended to read: 5106. (a) In addition to the regular registration fee or a permanent trailer identification fee, the applicant shall be charged a fee of forty-eight dollars (\$48) for issuance of environmental license plates.
- (b) In addition to the regular renewal fee or a permanent trailer identification fee for the vehicle to which the plates are assigned, the applicant for a renewal of environmental license plates shall be charged an additional fee of thirty-eight dollars (\$38). An applicant with a permanent trailer identification plate shall be charged an annual fee of thirty-eight dollars (\$38) for renewal of environmental license plates. However, applicants for renewal of prisoner-of-war special license plates issued under Section 5101.5 shall not be charged the additional renewal fee under this subdivision.
- (e) When payment of renewal fees is not required as specified in Section 4000, the holder of any environmental license plate may retain the plate upon payment of an annual fee of thirty-eight dollars (\$38). The fee shall be due at the expiration of the registration year of the vehicle to which the environmental license plate was last assigned. However, applicants for retention of prisoner-of-war special license plates issued under Section 5101.5 shall not be charged the additional retention fee under this subdivision.
- (d) Notwithstanding Section 9265, the applicant for a duplicate environmental license plate shall be charged a fee of thirty-eight dollars (\$38).
- (e) This section shall remain in effect only until January 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2017, deletes or extends that date.
 - SEC. 42. Section 5106 is added to the Vehicle Code, to read:
- 5106. (a) In addition to the regular registration fee or a permanent trailer identification fee, the applicant shall be charged a fee of forty-eight dollars (\$48) for issuance of environmental license plates.

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(b) In addition to the regular renewal fee or a permanent trailer identification fee for the vehicle to which the plates are assigned, the applicant for a renewal of environmental license plates shall be charged an additional fee of forty-three dollars (\$43). An applicant with a permanent trailer identification plate shall be charged an annual fee of forty-three dollars (\$43) for renewal of environmental license plates. However, applicants for renewal of prisoner-of-war special license plates issued under Section 5101.5 shall not be charged the additional renewal fee under this subdivision.

- (c) When payment of renewal fees is not required as specified in Section 4000, the holder of any environmental license plate may retain the plate upon payment of an annual fee of forty-three dollars (\$43). The fee shall be due at the expiration of the registration year of the vehicle to which the environmental license plate was last assigned. However, applicants for retention of prisoner-of-war special license plates issued under Section 5101.5 shall not be charged the additional retention fee under this subdivision.
- (d) Notwithstanding Section 9265, the applicant for a duplicate environmental license plate shall be charged a fee of forty-three dollars (\$43).
- (e) This section shall become operative on January 1, 2017, shall become inoperative on July 1, 2017, and as of January 1, 2018, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2018, deletes or extends the dates on which it becomes inoperative and is repealed.
- SEC. 43. Section 5106 is added to the Vehicle Code, to read: 5106. (a) In addition to the regular registration fee or a permanent trailer identification fee, the applicant shall be charged a fee of fifty-three dollars (\$53) for issuance of environmental license plates.
- (b) In addition to the regular renewal fee or a permanent trailer identification fee for the vehicle to which the plates are assigned, the applicant for a renewal of environmental license plates shall be charged an additional fee of forty-three dollars (\$43). An applicant with a permanent trailer identification plate shall be charged an annual fee of forty-three dollars (\$43) for renewal of environmental license plates. However, applicants for renewal of prisoner-of-war special license plates issued under Section 5101.5

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shall not be charged the additional renewal fee under this subdivision.

- (e) When payment of renewal fees is not required as specified in Section 4000, the holder of any environmental license plate may retain the plate upon payment of an annual fee of forty-three dollars (\$43). The fee shall be due at the expiration of the registration year of the vehicle to which the environmental license plate was last assigned. However, applicants for retention of prisoner-of-war special license plates issued under Section 5101.5 shall not be charged the additional retention fee under this subdivision.
- (d) Notwithstanding Section 9265, the applicant for a duplicate environmental license plate shall be charged a fee of forty-three dollars (\$43).
 - (e) This section shall become operative on July 1, 2017.
- SEC. 44. Section 5108 of the Vehicle Code is amended to read: 5108. (a) Whenever any person who has been issued environmental license plates applies to the department for transfer of the plates to another passenger vehicle, commercial motor vehicle, trailer, or semitrailer, a transfer fee of thirty-eight dollars (\$38) shall be charged in addition to all other appropriate fees.
- (b) This section shall remain in effect only until January 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2017, deletes or extends that date.
- SEC. 45. Section 5108 is added to the Vehicle Code, to read: 5108. (a) Whenever any person who has been issued environmental license plates applies to the department for transfer of the plates to another passenger vehicle, commercial motor vehicle, trailer, or semitrailer, a transfer fee of forty-three dollars (\$43) shall be charged in addition to all other appropriate fees.
 - (b) This section shall become operative on January 1, 2017.
- SEC. 46. Section 1430 of the Water Code is amended to read: 1430. A temporary permit issued under this chapter shall not result in the creation of a vested right, even of a temporary nature, but shall be subject at all times to modification or revocation in the discretion of the board. The authorization to divert and use water under a temporary permit shall automatically expire 180 days after the authorization takes effect, unless an earlier date is specified or the temporary permit is revoked. The 180-day period does not include any time required for monitoring, reporting, or mitigation before or after the authorization to divert or use water

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under the temporary permit. If the temporary permit authorizes diversion to storage, the 180-day period is a limitation on the authorization to divert and not a limitation on the authorization for beneficial use of water diverted to storage.

SEC. 47. Section 1440 of the Water Code is amended to read: 1440. A temporary change order issued under this chapter shall not result in the creation of a vested right, even of a temporary nature, but shall be subject at all times to modification or revocation in the discretion of the board. The authorization to divert and use water under a temporary change order shall automatically expire 180 days after the authorization takes effect, unless an earlier date is specified or the temporary change order is revoked. The 180-day period does not include any time required for monitoring, reporting, or mitigation before or after the authorization to divert or use water under the temporary change order. If the temporary change order authorizes diversion to storage, the 180-day period is a limitation on the authorization for beneficial use of water diverted to storage.

SEC. 48. Section 13205 of the Water Code is amended to read: 13205. Each member of a regional board shall receive two hundred fifty dollars (\$250) for each day during which that member is engaged in the performance of official duties. The performance of official duties includes, but is not limited to, reviewing agenda materials for no more than one day in preparation for each regional board meeting. The total compensation received by members of all of the regional boards shall not exceed, in any one fiscal year, the sum of three hundred seventy-eight thousand two hundred fifty dollars (\$378,250). A member may decline compensation. In addition to the compensation, each member shall be reimbursed for necessary traveling and other expenses incurred in the performance of official duties.

SEC. 49. Section 79717 is added to the Water Code, to read: 79717. (a) On or before January 10, 2017, and annually on or before each January 10 thereafter, the Natural Resources Agency shall submit to the relevant fiscal and policy committees of the Legislature and to the Legislative Analyst's Office a report that contains all of the following information relating to this division for the previous fiscal year with the information summarized by section of this division:

(1) Funding appropriations and encumbrances.

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(2) Summary of new projects funded.

- (3) Summary of projects completed.
- (4) Discussion of progress towards meeting the metrics of success established pursuant to Section 79716.
- (5) Discussion of common challenges experienced by state agencies and recipients of funding in executing projects.
- (6) Discussion of major accomplishments and successes experienced by state agencies and recipients of funding in executing projects.
- (b) This section shall remain in effect only until January 1, 2022, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2022, deletes or extends that date.
- SEC. 50. Section 258 of the Welfare and Institutions Code is amended to read:
- 258. (a) Upon a hearing conducted in accordance with Section 257, and upon either an admission by the minor of the commission of a violation charged, or a finding that the minor did in fact commit the violation, the judge, referee, or juvenile hearing officer may do any of the following:
 - (1) Reprimand the minor and take no further action.
- (2) Direct that the probation officer undertake a program of supervision of the minor for a period not to exceed six months, in addition to or in place of the following orders.
- (3) Order that the minor pay a fine up to the amount that an adult would pay for the same violation, unless the violation is otherwise specified within this section, in which case the fine shall not exceed two hundred fifty dollars (\$250). This fine may be levied in addition to or in place of the following orders and the court may waive any or all of this fine, if the minor is unable to pay. In determining the minor's ability to pay, the court shall not consider the ability of the minor's family to pay.
- (4) Subject to the minor's right to a restitution hearing, order that the minor pay restitution to the victim, in lieu of all or a portion of the fine specified in paragraph (3). The total dollar amount of the fine, restitution, and any program fees ordered pursuant to paragraph (9) shall not exceed the maximum amount which may be ordered pursuant to paragraph (3). This paragraph shall not be construed to limit the right to recover damages, less any amount actually paid in restitution, in a civil action.

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(5) Order that the driving privileges of the minor be suspended or restricted as provided in the Vehicle Code or, notwithstanding Section 13203 of the Vehicle Code or any other provision of law, when the Vehicle Code does not provide for the suspension or restriction of driving privileges, that, in addition to any other order, the driving privileges of the minor be suspended or restricted for a period of not to exceed 30 days.

- (6) In the case of a traffic related offense, order the minor to attend a licensed traffic school, or other court approved program of traffic school instruction pursuant to Chapter 1.5 (commencing with Section 11200) of Division 5 of the Vehicle Code, to be completed by the juvenile within 60 days of the court order.
- (7) Order that the minor produce satisfactory evidence that the vehicle or its equipment has been made to conform with the requirements of the Vehicle Code pursuant to Section 40150 of the Vehicle Code if the violation involved an equipment violation.
- (8) Order that the minor perform community service work in a public entity or any private nonprofit entity, for not more than 50 hours over a period of 60 days, during times other than his or her hours of school attendance or employment. Work performed pursuant to this paragraph shall not exceed 30 hours during any 30-day period. The timeframes established by this paragraph shall not be modified except in unusual cases where the interests of justice would best be served. When the order to work is made by a referee or a juvenile hearing officer, it shall be approved by a judge of the juvenile court.

For purposes of this paragraph, a judge, referee, or juvenile hearing officer shall not, without the consent of the minor, order the minor to perform work with a private nonprofit entity that is affiliated with any religion.

- (9) In the case of a misdemeanor, order that the minor participate in and complete a counseling or educational program, or, if the offense involved a violation of a controlled substance law, a drug treatment program, if those programs are available. Fees for participation shall be subject to the right to a hearing as the minor's ability to pay and shall not, together with any fine or restitution order, exceed the maximum amount that may be ordered pursuant to paragraph (3).
- (10) Require that the minor attend a school program without unexcused absence.

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(11) If the offense is a misdemeanor committed between 10 p.m. and 6 a.m., require that the minor be at his or her legal residence at hours to be specified by the juvenile hearing officer between the hours of 10 p.m. and 6 a.m., except for a medical or other emergency, unless the minor is accompanied by his or her parent, guardian, or other person in charge of the minor. The maximum length of an order made pursuant to this paragraph shall be six months from the effective date of the order.

- (12) Make any or all of the following orders with respect to a violation of the Fish and Game Code which is not charged as a felony:
- (A) That the fishing or hunting license involved be suspended or restricted.
- (B) That the minor work in a park or conservation area for a total of not to exceed 20 hours over a period not to exceed 30 days, during times other than his or her hours of school attendance or employment.
- (C) That the minor forfeit, pursuant to Section 12157 of the Fish and Game Code, any device or apparatus designed to be, and capable of being, used to take birds, mammals, fish, reptiles, or amphibia and that was used in committing the violation charged. The judge, referee, or juvenile hearing officer shall, if the minor committed an offense that is punishable under Section 12008 or 12008.1 of the Fish and Game Code, order the device or apparatus forfeited pursuant to Section 12157 of the Fish and Game Code.
- (13) If the violation charged is of an ordinance of a city, county, or local agency relating to loitering, curfew, or fare evasion on a public transportation system, as defined by Section 99211 of the Public Utilities Code, or is a violation of Section 640 or 640a of the Penal Code, make the order that the minor shall perform community service for a total time not to exceed 20 hours over a period not to exceed 30 days, during times other than his or her hours of school attendance or employment.
- (b) If the minor is before the court on the basis of truancy, as described in subdivision (b) of Section 601, all of the following procedures and limitations shall apply:
- (1) The judge, referee, or juvenile hearing officer shall not proceed with a hearing unless both of the following have been provided to the court:

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 (A) Evidence that the minor's school has undertaken the actions specified in subdivisions (a), (b), and (c) of Section 48264.5 of the Education Code. If the school district does not have an attendance review board, as described in Section 48321 of the Education Code, the minor's school is not required to provide evidence to the court of any actions the school has undertaken that demonstrate the intervention of a school attendance review board.

- (B) The available record of previous attempts to address the minor's truancy.
- (2) The court is encouraged to set the hearing outside of school hours, so as to avoid eausing the minor to miss additional school time.
- (3) Pursuant to paragraph (1) of subdivision (a) of Section 257, the minor and his or her parents shall be advised of the minor's right to refuse consent to a hearing conducted upon a written notice to appear.
- (4) The minor's parents shall be permitted to participate in the hearing.
- (5) The judge, referee, or juvenile hearing officer may continue the hearing to allow the minor the opportunity to demonstrate improved attendance before imposing any of the orders specified in paragraph (6). Upon demonstration of improved attendance, the court may dismiss the case.
- (6) Upon a finding that the minor violated subdivision (b) of Section 601, the judge, referee, or juvenile hearing officer shall direct his or her orders at improving the minor's school attendance. The judge, referee, or juvenile hearing officer may do any of the following:
- (A) Order the minor to perform community service work, as described in Section 48264.5 of the Education Code, which may be performed at the minor's school.
- (B) Order the payment of a fine by the minor of not more than fifty dollars (\$50), for which a parent or legal guardian of the minor may be jointly liable. The fine described in this subparagraph shall not be subject to Section 1464 of the Penal Code or additional penalty pursuant to any other law. The minor, at his or her discretion, may perform community service, as described in subparagraph (A), in lieu of any fine imposed under this subparagraph.

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(C) Order a combination of community service work described in subparagraph (A) and payment of a portion of the fine described in subparagraph (B).

- (D) Restrict driving privileges in the manner set forth in paragraph (5) of subdivision (a). The minor may request removal of the driving restrictions if he or she provides proof of school attendance, high school graduation, GED completion, or enrollment in adult education, a community college, or a trade program. Any driving restriction shall be removed at the time the minor attains 18 years of age.
- (c) (1) The judge, referee, or juvenile hearing officer shall retain jurisdiction of the case until all orders made under this section have been fully complied with.
- (2) If a minor is before the judge, referee, or juvenile hearing officer on the basis of truancy, jurisdiction shall be terminated upon the minor attaining 18 years of age.
- SEC. 51. Section 11 of Chapter 2 of the Statutes of 2009, Seventh Extraordinary Session, is amended to read:
- SEC. 11. (a) (1) Except as provided in paragraph (2), commencing with the 2010–11 fiscal year, and notwithstanding Section 13340 of the Government Code, three million seven hundred fifty thousand dollars (\$3,750,000) is hereby continuously appropriated, without regard to fiscal years, on an annual basis, only from the fee revenue in the Water Rights Fund to the State Water Resources Control Board for the purposes of funding 25.0 permanent water right enforcement positions, as provided in Schedule (2) of Item 3940-001-0439 of Section 2.00 of the Budget Act of 2009, as amended by Chapter 2 of the Seventh Extraordinary Session of the Statutes of 2009.
- (2) This subdivision makes appropriations, on an annual basis, only for the fiscal years commencing with the 2010–11 fiscal year and through the 2015–16 fiscal year. Annual appropriations made under this subdivision are available for encumbrance only until June 30, 2016, and appropriations encumbered under this subdivision are available for expenditure only until June 30, 2018.
- (b) Commencing with the 2016–17 fiscal year, and notwithstanding Section 13340 of the Government Code, three million seven hundred fifty thousand dollars (\$3,750,000) is hereby appropriated, on an annual basis, only from the fee revenues in the Water Rights Fund to the State Water Resources Control Board

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1 for the purposes of funding the 25.0 permanent water right

- 2 enforcement positions described in subdivision (a). Each annual
- 3 appropriation shall be available for encumbrance only during the
- 4 fiscal year of the appropriation and available for liquidation only
- during the fiscal year of that annual appropriation and the two
 fiscal years immediately following that fiscal year.
- 7 SEC. 52. (a) On or before January 1, 2020, the Natural
- 8 Resources Agency shall submit to the relevant fiscal and policy
- 9 committees of the Legislature and to the Legislative Analyst's
- 10 Office a report summarizing lessons learned from the state's
- 11 response to the drought. The report shall compile information from
- 12 the various state entities responsible for drought response activities,
- 13 including, but not limited to, the State Water Resources Control
- 14 Board, the Department of Water Resources, the Department of
- 15 Fish and Wildlife, the Department of Forestry and Fire Protection,
- 16 and the Office of Emergency Services.
- (b) The report shall discuss the state's drought response efforts
 for at least all of the following categories:
 - (1) Drinking water.
- 20 (2) Water rights.

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- (3) Water supply, including groundwater and operations of the
 State Water Project and the federal Central Valley Project.
 - (4) Water quality.
- 24 (5) Fish and wildlife.
- 25 (6) Water conservation.
- 26 (7) Fire protection.
- 27 (8) Emergency human assistance.
- (c) The report shall include a discussion of, and data related to,
 all of the following for each of the categories included in the report
 pursuant to subdivision (b):
- 31 (1) Major drought response activities undertaken.
- 32 (2) Major challenges encountered.
 - (3) Efforts in which the state achieved notable successes.
- 34 (4) Efforts in which the state needs to make improvements.
- 35 (5) Recommendations for improving the state's response in the future, including potential changes to state policy and additional
- 37 data the state should collect.
- 38 SEC. 53. The sum of two hundred thirty thousand dollars
- 39 (\$230,000) is hereby appropriated from the Timber Regulation
- 40 and Forest Restoration Fund to the Secretary of the Natural

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Resources Agency to provide public process and scientific expertise and per diem payments to nongovernmental participants of Timber Regulation and Forest Restoration Program working groups.

SEC. 54. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

SEC. 55. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.